

CURRENT EVENTS REPORT

OFFICE CHIEF OF STAFF
MIL. INTEL. DIV.

1921

JUL 7

DEPARTMENT

SUBJECT... ECONOMIC SITUATION IN ARGENTINA

From... ARGENTINA

No. 2393 Date May 23, 1921

Replying to No. Date JUL 7 1921

In regard to the British loan of \$50,000,000 United States gold about which there has been a discussion as to the rate of exchange at which it should be liquidated, due to the great variations in same, it is understood that the matter is being discussed amicably between the British Foreign Office and the Argentine Government.

Mr. Windham Baring, Managing Director of Messrs. Baring Brothers of London, has been a recent visitor in Buenos Aires. He is reported in the press as having stated that Argentine credit in London is excellent as Argentina, during the world war, religiously and punctually paid her obligations. He stated that Argentine internal and external loans are preferred paper on the stock exchange. He is reported to have said that his visit was for the object of strengthening relations between England and Argentina, and is not related to the business of the Southern Railway of which he is a Director.

During the debate on the second reading of the Budget on March 16th, the question of raising the minimum salary of Government employees from 100 to 150 pesos was raised. The Minister of the Interior, who was present, apparently to defend the estimates of his own Department, went out of his way to express what he stated to be the official Government view on the question, quite favorable to the proposed increase. The President of the Budget Committee then stated that the Minister of Finance, who also claimed to voice the Government view, had opposed the measure on the ground of inadequate funds. This divergence of views has caused considerable comment, many people thinking that both Ministers concerned would resign, but such has not been the case.

There has been considerable talk in the press in regard to the proposed Salta-Antofagasta Railway. It is estimated that the total cost will be £3,000,000 and that the Chilean quota for the section from Antofagasta to Huaytiquina will be £1,400,000. The first rail was laid in the railroad station at Rosario de Lerma on March 2nd. On March 14th the President, without submitting the matter to Congress, authorized the extension of the line between Rosario de Lerma and Gólgota, a distance of 43 kilometers, 520 meters, the cost of which is \$5,000,000 m.n. The President's action in not consulting Congress has been severely criticised in the Opposition press. The general opinion is that the matter is a purely political affair, and that the work will not be completed.

Binding Margin

Some four months ago, the majority of the railroad companies gave formal notice of their intention to raise their tariffs, and in due course, the new rates were put into effect. The various unions and agricultural interests affected protested, and the General Railroad Board on March 15th issued resolutions to the effect that the railways had been guilty of an infraction of the law by putting the new tariffs into force without Government approval, and the various roads received formal intimation that they would be fined \$5,000 m.n. for the infraction committed and \$1,000 m.n. for each day counting from March 9th inclusive, during which the new tariffs were unduly collected. The companies were ordered to suspend within 24 hours the application of the tariffs under penalty of having the daily fine raised to \$5,000 m.n. and the companies were given three days in which to pay the fines, failing which judicial proceedings were to be taken to collect them. The railroads apparently considered that they were within their rights in increasing their rates, and have continued to charge same.

Recently the "Union Industrial Argentina" presented a memorandum to the Government complaining against the increase in railroad fares due to slack business creating a situation for the wool, hide, cereal, dairy and other interests that renders them absolutely unable to pay the increased tariff charges. In spite of the prohibition of the "Dirección General de Ferrocarriles", the Railways continue to charge and collect the increased fares and freights, and legal proceedings were instituted to collect the fines imposed on the companies for their persistence in raising their tariff. The fine was originally 1,000 pesos per day, but as stated above, it was raised to 5,000, and then on April 7, to 10,000 pesos per day.

MONOGRAPH REPORT

OFFICE CHIEF OF STATE
INTELLIGENCE DIV.
ONLY

1921

JUL 19

DEPARTMENT

SUBJECT... ECONOMIC FACTOR---ARGENTINA

From... ARGENTINA

No. 2306

Date... May 31

19 21

Replying to No.

Date... JUL 2 1921

19

(Add)

(6) Industry

(18) Organization

There has been no improvement in commercial conditions in Argentina recently, and in view of the small demand for exportable Argentine products, the general opinion is that the situation will become more serious. In addition to the lack of demand, exports are being seriously hampered by the almost intolerable labor conditions in the port. The value of the Argentine peso in terms, not alone of the dollar, but also of other currencies, continually has declined during the past months. A very slight fall in exchange during the last fifteen days, still leaves the rate at a very high mark indeed.

There has been but little liquidation of the immense stocks of merchandise in the Custom House.

The Department of Finance has not yet begun to fix the minimum price for wheat for export, and in spite of the falling off, producers in the interior are holding their stocks in the hope that the Government by its official intervention will be able to maintain prices.

(23) Land

(Add)

(28) Railway.

There is still much press comment on the Salta-Antofagasta Railway. It is estimated that the total cost will be \$3,000,000 and that the Chilean quota for the section from Antofagasta to Huaytiquina will be \$1,400,000. The first rail was laid in the railroad station at Rosario de Lerma on March 2nd. On March 14th, the President, without consulting Congress, authorized the extension of the line between Rosario de Lerma and Golgota a distance of 43 kilometers, 520 meters, the cost of which is to be \$5,000,000 m.n. The general opinion is that the matter is a purely political affair, and that the work will not be completed.

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Binding Margin

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(10) Finance

(31) Structure

(34) Connections

The present exchange situation in Argentina is the worst in the recent history of the country with no signs of betterment. Its causes appear to be lack of export, the number of bills of exchange held by the banks in Buenos Aires for purchases made in the United States, and the fact that the Caja de Conversión does not allow the exportation of gold. The opinion seems to be that if the Caja de Conversión will permit the exportation of \$100,000,000.00 gold it would greatly help the situation, especially if the Banco de la Nación should be empowered to regulate the export of gold which would be limited exclusively to payments of settlements or balances of exchange.

(14) Raw Materials

(41) Mineral

In view of the constantly increasing production of oil in Comodoro Rivadavia, the Department of Public Works is taking measures for storing and distributing the larger amounts now available. A tank of 6,000 cubic meters capacity will soon be installed in Rosario with all the necessary accessories for the loading, unloading and distribution of the petroleum. It is the plan of the Government to ship petroleum and its products to all regions of the Republic where they can be used. During May and June, tanks with a capacity for storing 90,000 cubic meters are scheduled to arrive in Buenos Aires for installation in Comodoro Rivadavia, Rosario, Santa Fé and Bahía Blanca. The Government already has in operation tanks capable of storing 80,000 cubic meters of petroleum. Two tank steamers of 16,000 tons and one other are being negotiated for, and will be put into service as soon as available.

An example of the development of the Government oil fields at Comodoro Rivadavia is well illustrated by one well alone which is producing 10,000 cubic meters of oil per day.

It is of interest to state here the opinion of an expert who stated personally to writer that within five years the Comodoro Rivadavia oil fields would turn to salt water.

The oil fields of the Sun Oil Company have recently been taken over by the Anglo Persian Oil Company.

(26) Wire

(77) Cable

On April 15 the All America Cables Company reinstituted its week-end cable letters to New York at the rate of five pesos gold for 25 words and 20 cents gold for each additional word.

(120) Conservation

In view of the Rinderpest existing in Brazil, no animals from that country are allowed into Argentina. On April 17 the International Institute of Aphthous Fever of Buenos Aires sent a note to the Governments of Paraguay, Bolivia, Ecuador, Peru and Columbia and Venezuela, where no legislation in regard to the protection against this disease exists, asking that legislation be passed providing sanitary police measures against the plague and citing the history of the disease in Africa where, on being introduced into the Italian Colony of Erithrea, it spread in a very few years from one end of the continent to the other.

PUBLICATION REPORT

SUBJECT--PROPRIETORSHIP OF OIL FIELDS-----

From--ARGENTINA-----

No. 2375----- Date--July 22-----, 1931

Replying to No.----- Date--RECD. M. I. D. G. S. AUG 19 1921-----, 19

" The Executive Power early in July sent a Message to Congress reiterating that sent on the 23rd of September 1919, relating to State proprietorship of the oil-fields in the country.

There is no doubt that at the present time the so called liquid combustible has created an international interest which is only too evident. In this respect Argentina is quite bereft of the most elementary legislation.

There is no longer any doubt that the country possesses large quantities of mineral oils. Practically their existence has been proved in an extensive part of the territory of Argentina. There are large quantities in three federal territories (Chubut, Neuquen and Santa Cruz) and in two provinces (Mendoza, and Salta).

Also there are indications of its existence in the territory of Misiones and in the provinces of Buenos Aires and Santa Fé. The fact that the principal oil fields are in the national territories facilitates much the work of legislation with reference to the ownership of the fields. The greater part of the land in the national territories belongs to the State.

At the present time the exploitation of the mineral leaves much to be desired. Large quantities of oil are imported, and on more than one occasion a strike of stevedores is sufficient to stop all the automobiles in the city and the threshing machines in the country. A combination of producers of the Standard Oil Co. or of any of the other large companies, exerts its, or their, influence in Argentina more than 3,000 miles distant from the place where the corner is being made.

Today more than at any other time, petroleum is a matter which interests principally the Governments of the nations, and the diplomacy of oil has followed the diplomacy of armaments or of colonization.

Therefore it is certainly of the utmost importance to defend Argentina from combinations or manipulations of the future, placing these immense riches within the safeguard of the nation, for these riches should be public property and not private."

The foregoing is taken from "La Razón" (July 20, 1921.)

An article published in "La Nación" on July 7 on the State Petroleum among other observations makes the following:

"The fiscal petroleum wells at Comodoro Rivadavia yielded 31,626 cubic meters of oil during the month of March last, but since then the output of the reserve lands has shown a marked falling off. The amount extracted during the month of April only reached 22,447 cubic meters, in May 22,098 and in June 22,084.

Yet geological studies recently made have proved that the

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petroleum fields of the region referred to will permit of borings that were previously undreamed of. Furthermore, there is no reason to suppose that the fiscal wells have become exhausted. It is stated that as work proceeds the more pleasant surprises are there encountered, and the Government has still much land left that has yet to be explored. Hence the shrinkage is attributed to bad management solely.

The want of an expert management endowed with full authority has already occasioned irreparable losses. Through not seeing the needs of the work in time the output of the wells has proved greater than the storage capacity and the transport facilities available. Thus the Government in deciding to close up the prolific well No. 128 and put a stop to boring operations, confessed to the absence of a regular system in the working of the oil-fields.

It is now striving to find an outlet for the 80,000 tons of petroleum with which its tanks are overflowing. It is endeavoring to hasten the arrival of the petroleum tankers which it has purchased and the construction of the ten tanks planned.

Concerning the setting up of the distributing tanks at the principal centers of consumption such as the capital, Bahia Blanca, Santa Fe and Mar del Plata, the idea is to have a permanent stock of liquid combustible on hand. Ten tanks have been purchased in the United States with a capacity of 8000 cubic meters each.

These tanks will be set up on masonry bases or foundations in the fiscal zones of the ports reserved for inflammables."

SUBJECT OIL INTERESTS IN ARGENTINA

From ARGENTINA

No. 2369 Date July 14, 1921.

Replying to No. Date

It is most difficult to obtain any information in regard to the plans and activities of the Anglo-Persian Oil Company in the Comodoro Rivadavia fields. That Company operates in Argentina through an Argentine company, the Compania Industrial y Comercial de Petroleo, an account of which is given on page 3 of this report. Mr. J.B. Sullivan, one of the directors of this Company, is an American citizen closely associated with the Doderos in all their undertakings, but, although he is a good personal friend of the Commercial Attaché, the latter has never been able to obtain any information from him in regard to the activity of his Company. It is said that great secrecy is preserved in all this Company's activities in Comodoro Rivadavia district as well as here in Buenos Aires. A man just returning from there stated that no one is even permitted on the land on which they are carrying out exploration work. I have been informed, however, that this Company has now six or seven drilling outfits, is operating them and intends to carry on very extensive work there.

The Burma Oil Company is also about to start work there, and is at the present time staking out claims to land in the Comodoro Rivadavia field.

At the present time, although Americans were the first ones to investigate the Argentine oil fields, there are no Americans carrying on any sort of oil operations or activities in this country.

The criticism of the methods which have been used by Americans in this country is justified as regards the petroleum business in the sense that none of them have as yet undertaken any actual work. As pointed out in an article published in "The Times of Argentina" the objection on the part of American oil operators appears to be based on the limited amount of land which any one company may obtain under the present legislation.

An Argentine interested in oil development in this country, recently mentioned several reasons why Americans have not succeeded in this country and why Argentine prefer to deal with the British, as follows:

The Americans are absolutely ignorant of conditions prevailing here. They consider Argentina as the same as other South American countries, grouping it with Venezuela and Mexico, and almost every outfit sent here to do work comes prepared for a tropical climate with all the appurtenances for combating mosquitos, etc. The Comodoro Rivadavia fields are latitude 46 south, or as far south of the equator as the northern part of Maine and North Dakota are north of the equator.

Americans also are of the opinion that their capital will not be safe here and that all south of the Andes, whereas the British are thoroughly familiar not only with climatic and physical conditions, but also with the character of the people and the Government, and know how to deal with them and have not the fear for their capital which they perhaps have in other less advanced countries.

In connection with the above it is reported that an Argentine Company is now in process of formation for the development of oil interests here, and it seems that it would be an excellent opportunity for Americans to join in with them, as a joint enterprise seems more likely to succeed than a purely American one. If American capitalists would work here through Argentine representatives, as British and other foreign corporations are doing, the results would be more satisfactory to all concerned. The company above mentioned is tentatively called *Compania de Minas y Petroleo*, but it is likely that this name will be changed later on. The President of the company is Mr. Carlos Alfredo Tornquist, the leading Argentine banker, and one of its directors, Mr. Octavio Figueroa, left for the United States on the S.S. VASARI on June 30 with a view to interest American capital in the enterprise.

This company holds certain mining and exploration rights in the Provinces of Salta, Jujuy and Mendoza and the Territories of Neuquen and Chubut, the latter being the Territory in which the Comodoro Rivadavia fields are located. The two last named Territories are stated to be the best oil-bearing districts.

It is the present intention of this Company to endeavor to secure American capital to go in with them in a joint enterprise, the Argentines to furnish the land and the mining rights, a certain amount of capital and the management of all negotiations and arrangements with the Government. The Americans would supply an initial capital of about \$5,000,000.00 gold with which about ten drilling outfits would be purchased in the United States, and the services of twenty experienced American oil drillers would be secured. The remaining personnel and labor would be procured locally. If Mr. Figueroa is unsuccessful in interesting Americans in the enterprise he will then go to London to secure English capital.

It is believed that this is a most favorable opportunity for American capital to secure representation in the Argentine oil fields which are rapidly being explored and exploited by British and German capital, the alternative is that one day it will be found too late and the best fields preempted by others.

Below is given a list of the principal oil companies at present established and operating with some details concerning their activities. Such petroleum companies as have been organized in the Argentine have only recently begun active work in spite of the fact that many of them have been in existence for many years. It is perhaps for this reason that none of these have shown results proportionate to those which have been obtained by official exploitation by the Government. This is evidenced by the larger extents of land which are being exploited by the Government, by the large increase in the number of wells under exploitation and production, and, finally, by the great improvement in transportation. All the private companies have had to contend with long continued strikes which began in the official workings and gradually extended to those owned by private individuals, as a result of which there was a considerable falling off in the production as well as a great loss of time and money.

In addition to this, Argentine petroleum has had to meet foreign competition and also has been affected by the great decrease in the price of oil, both of which reasons have resulted in decreased profits as compared with former years.

Compañía Argentina de Comodoro Rivadavia.

This company is a new one and a principal participant in the arrangement recently made with three of the British railroads, the Southern, Western and Buenos Aires Pacific, for the production of petroleum. The production of this company for last year was 3,373 cubic metres (33,000 barrels).

The concession of this company consists of 1,500 hectares (3,750 acres) immediately adjoining the government reserve, and the wells which are being drilled at present are within a few hundred metres of it. The last annual report of the company was most optimistic as to the future, inasmuch as the consumption of the three railroads will insure profitable exploitation from the start. The six or seven wells now in exploitation show a production of about 3,000 tons a month, and all of the other wells which are being drilled show oil on a greater or less scale.

Compañía Argentina de Petroleo Astra

During the first month and a half of last year the operations of this company suffered considerably by a strike which terminated with the dismissal of all the workmen. Work was later renewed, with the original foreman and with a few employees and reduced number of laborers. In spite of its labor difficulties this company closed the year with a total petroleum production of 23,014 cubic metres (150,000 barrels), equivalent to an increase of 5,126 cubic metres over the production of the previous year.

Compañía de Petroleo de Comodoro Rivadavia.

The Directorate of this company, which is now in its ninth year, in its annual statement informed the stockholders that it had continued to give special attention to the exploitation of the well on what is known as "reserve" permit, and that new drilling operations are being undertaken through the intermediary of its subsidiary company, Sindicato de Perforaciones de Comodoro Rivadavia, which has been definitely incorporated with the company. At the time this change was made the assets of the company amounted to 412,288 pesos, against which should be charged a loss of 43,590 pesos carried over from previous statements.

Petroleo Argentino de San Rafael

The annual report of this company shows total assets of 792,364 Argentine gold pesos, in which are included the value of the mine, machinery, tools and accessories, salaries and wages, as well as 403,919 pesos paper of machinery, tools, construction materials, shares of the Argentine Petroleum Company, general expenses, salaries and wages and 973,200 pesos gold for paid up stock. The report shows that little work was done during the year, and the total losses of the company amount to 35,389 pesos gold.

Compañía Industrial y Comercial de Petroleo.

During the year this company, which is affiliated with the Anglo-Persian Oil Company, was established, as an Argentine company with a capital of 5,000,000 pesos moneda nacional (paper) with the following directorate:

President: Mr. Fernando Brown
 Directors: Alberto J. Vivot
 J.P. Sullivan
 George Lawrie Gales
 Benigno Benigni
 Alternate Directors:
 Alberto J. Vivot
 Carlos Indalicio Gomez
 Auditors: A. Falier
 J. Horace Brown

The most recent information which it has been possible to obtain in reference to the activities of this company is to the effect that about 2,000,000 pesos has been expended for drilling, rigs and machinery, part of which has already arrived at the fields. All of this material was purchased in the United States and the work is under the direction of an American superintendent and six practical oil men, all of them Americans. Work has begun on two wells not far from the land reserved by the Argentine Government and now in production. It is stated that the total extent of property which is to be exploited by this company amounts to about 5,000 hectares, and steps are to be taken to secure permits covering additional property in the Comodoro Rivadavia fields. A small amount of land has also been taken up by the Compania Industrial in the region known as Plaza Huicul in the territory of Neuquen. It is difficult to obtain accurate information as to the intentions of this company, but I have been informed on unquestionable authority that the Anglo-Persian Oil Company is directly interested in its activities in the future.

In addition to the companies mentioned above should be added that which is controlled by Mr. Leopoldo Sol, which is operated in the fields known as Plaza Huicul. Several wells are in production and a small refinery with a capacity of ten tons a day is now being erected under the direction of Mr. Sol. He is considered to be the best practical oil man in the Argentine, and, aside from his own holdings, holds considerable blocks of stock in several of the companies referred to above.

The general attitude of the Argentine government in reference to the exploitation of Argentine petroleum deposits seems to be adverse to the entry of foreign companies into the field. This attitude is no doubt the result of the desire on the part of the Government to avoid such international complications as have arisen in Mexico and other Latin-American countries. This should be borne in mind by American interests who may be desirous of acquiring land in the Argentine for the exploitation of petroleum.

One of the principal objections on the part of large operators is the fact that the amount of land which can be secured under present legislation is so limited as to seriously effect the investment of any considerable amount of capital in this country. There are also certain features of the mining legislation which do not permit of any delay in beginning work, once a permit has been secured from the Mining Department. There is attached below a resumé giving opinion of an Argentine authority on certain methods which might be used to prolong the periods within which work must be begun and within which certain features of the work must be completed.

Exploration permits are being taken out in considerable number especially by Argentine nationals, and it will only be a short time before a large increase in production will be evident.

British and German interests are active in exploration work, and already have producing wells, both in the Plaza Huincul district and in Comodoro Rivadavia. The British interests are the Syndicate which is carrying on drilling operations, for the account of the three British railroads and the Anglo-Persian interests, also the German interests which are in charge of one, Kinkelin, who represents Hugo Stinnes.

Representatives of several American oil companies have carried on exploration work in different sections of the country, but none of them have secured rights to oil property.

Concessions covering property in the Provinces of Buenos Aires and Jujuy, which were granted by the Provincial authorities to a representative of the Bolivian-Argentine Exploration Company, have lapsed without any work having been undertaken.

The following table shows the official, private and total production of petroleum in the Argentine during the last three years:

	<u>LONG TONS</u>		
	<u>1918</u>	<u>1919</u>	<u>1920</u>
OFFICIAL.....	182,569	173,814	174,095
PRIVATE.....	<u>15,667</u>	<u>21,125</u>	<u>32,352</u>
	198,236	194,939	206,447

LEGAL OPINION ON CURRENT PRACTICES OF ARGENTINE MINING LEGISLATION, WITH SPECIAL REFERENCE TO DAYS AND WAYS OF FOLLOWING THE RULES ESTABLISHED BY LAW FOR MINING OPERATIONS AND IN GENERAL ON WORK AND EXPENSES UNDER THE EXACT COMPLIANCE WITH THE LAW IMPOSES.

The question of discovering facilities in the application of Argentine mining legislation may be set forth in two ways:

First, in the case of work to be carried on under concessions granted directly by the Government, and second, work which is to be undertaken on claims belonging to other persons, who may have ceded or assigned them to the company.

The procedure of exploration from the legal point of view consists in locating an extent of land, which has been previously studied. The operations of drilling thereon should be carried out in such a way that the claims derived therefrom may be made to occupy the total extent of land which it may be desired to retain. From the industrial and financial point of view the problem resolves itself into a question of knowing what are the financial means of the company and its capacity for acquiring the necessary materials and employing the necessary personnel for the work. If the law is skilfully interpreted, a company may take up as much land as may be desired by means of a convenient division of the claims under the name of partners or other individuals who may obtain them ostensibly for themselves, but under previous contracts in favor of the company. The extent of the unit of mining property which is considered the maximum is that of 2,400 hectares, but so the property may be held in the name of corporations, the same individuals, capitalists or shareholders may constitute as many companies as they wish, each one of which would have the right of obtaining title to 2,400 hectares, thus making up a number of parcels apparently separated, but in reality under the same administration.

It would not be possible to take up more than 2,000 hectares with less than two drilling rigs and the corresponding personnel. It is well to bear this in mind, especially in those cases where the Company may consider that the entire extent of 2,000 hectares presents favorable prospects for future exploitation.

The periods of time fixed by law should not present any inconvenience in carrying out the work, provided that steps are taken to acquire the necessary machinery in due time; the beginning of the legal period shall count from the day on which the company actually locates its machinery on the ground as has been explained above. It is believed safe to say that within the term of 290 days provided by law, it would be possible to make one drilling with each machine. The limit of that first drilling is not fixed by law, but it is a matter to be determined by the Mining Department, so that permission may be given to the company to undertake actual work, so that within fifteen months more each outfit may complete not only the first drilling but also the second one and in this way the entire extent of 2,000 hectares would be totally occupied.

There is a legal disposition which regulates the method of carrying out drilling operations, the right being given to the Mining Department to inspect the work of an operator, to determine if it is being done in accordance with the regulations. The principal legal requirements are as follows:

- (a) To maintain in connection with each drilling outfit a register of the work from day to day, the details of which are similar to those in use in all parts of the world under the name of "Drilling Log."
- (b) To communicate any discovery of water or petroleum.
- (c) To deviate streams of water and not to remove the piping or other means employed for this purpose without permission from the Inspector of Mines.
- (d) To avoid floods by every possible means.
- (e) Not to abandon wells nor remove piping without permission.
- (f) In the use of machines requiring the injection of water to take the necessary measures so that the increase or decrease of the amount of water injected may be known at once.
- (g) To utilize piping where drilling is being carried out in places in which sandy soil is frequently encountered.
- (h) Not to use explosives without permission.
- (i) To discontinue the injection of water as soon as it is evident that there is reason to believe that petroleum has been struck.

ACQUISITION OF MINING PROPERTY: The acquisition of mining property results from its discovery. As soon, therefore, as petroleum has been found by drilling a well, the right of the discoverer comes into force. Some of the legal consequences are outlined below.

The discoverer should make known this fact and at the same time present samples of the mineral. After the necessary publications, which run for a period of sixty days, the ownership of the mine is granted to him. As soon as the ownership of the mine has been registered, the discoverer is given 100 days more in which to take the necessary legal steps, which consist insofar as petroleum is concerned, in the existence of a well actually producing. We may consider, therefore, in reference to petroleum that the work prescribed by the law must have been done at the time of making petition for the granting of ownership.

Mining rights are conceded in the form of claims, the number of which is exactly the same as that noted above for actual exploitation, that is to say, that one well gives the right to claim ownership of the number of claims above set forth. The property should be surveyed and staked.

Mining groups of 2,400 hectares may only be constituted with mining property which has been definitely granted.

EXPIRATION OF OWNERSHIP: The expiration of the title to mining property depends exclusively, or is maintained by the payment of an annual tax in such a way that once title is granted it is not obligatory to operate the mine nor does the law fix a minimum amount of work to be done. Consequently the difficulties which previously existed in respect to "disoccupation" of mining property are done away with.

The only obligation with respect to mining rights is that of investing within a period of four years, counting from the date on which title is secured, of a minimum sum of money. For petroleum mines, the authorities may determine what the exact amount of capital shall be, and this will vary between 10,000 and 20,000 pesos.

The law now in force provides for a tax of 100,000 pesos a year for each petroleum claim.

The Argentine Mining Law does not offer facilities to wild cat schemes, nor to companies which are not equipped with the necessary capital. It is not possible in this country to obtain mining property for the purpose of reselling it, or negotiating it in any way subsequently. The difficulties which the law may present are in a certain degree compensated for by the advantages accruing to the country by avoiding that mining property should be distributed among various persons or groups of persons who are entirely incapacitated from undertaking its exploration and exploitation. It is true that the Argentine Mining Law does not offer facilities for the constitution of large mining properties to be administered by a single person or company. It is possible from the point of view of the petroleum industry as practised in other parts of the world that the inevitable subdivision of mining property into small parcels presents an obstacle.

MONOGRAPH REPORT

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SEP

SUBJECT--ECONOMIC ITEMS FROM ARGENTINA-----

From--ARGENTINA----ECONOMIC-----

No. 2441 Date August 27, 19 21

Replying to No. Date SEP 13 1921, 19

(Add) (14) Raw Materials
(41) Minerals.

The Government intends to place all the oil exploitations under one technical head which will be called the "Dirección de Explotaciones Petrolíferas del Estado" Direction of State Oil Exploitation.

This Department will manage not only the Comodoro Rivadavia fields but also those at Plaza Huinoul in Neuquen.

(Add) (42) Vegetable
(43) Animal

During the first six months of 1921 the following products and quantities thereof were exported from Argentina. These amounts are compared with the same period in 1920.

PRODUCTS	1921	1920
Wheat, tons	1,311,669	4,198,685
Maize, "	925,592	1,817,710
Linseed "	613,588	582,868
Oats "	204,154	210,104
Barley "	30,053	32,967
Flour "	16,580	162,906
By products, wheat, tons,	57,785	29,636
Quebracho logs, tons	3,707	38,530
" extract, "	45,035	69,747
Butter, boxes	562,517	344,372
Hay, bales	103,860	133,692
Hides, steers	44,519	181,949
" dried	268,033	652,152
" salted	846,139	1,114,830
" colts	12,390	122,652
Sheepskins, bales	7,135	19,255
Goatskins, "	389	1,593
Wool, bales	143,592	130,054
Bristle, bales	1,324	3,977
Tallow, casks	130	658
" barrels	48,231	51,378
" melted	1,080	
Chilled quarters of beef	1,976,130	2,463,894
Frozen " " "	718,301	101,591
Frozen mutton	1,476,801	514,605
" lamb	542,775	1,203,191

Binding Margin

An item of interest in connection with Argentine exportations is that referring to products and quantities of same sent to Germany, whose importations from Argentina are very much on the increase.

During the six months period covered in the above table the principal Argentine exportations for Germany were represented by 98,563 tons of wheat, 122,880 tons of maize, 45,839 tons of linseed, 9,023 tons of oats, 8,977 of barley and 3,527 extract of quebracho; 50,344 dried hides, 144,432 salted hides, 3,232 hides of steers and 34,293 bales of wool.

Belgium has also increased importation from Argentina, and purchased during the first six months about 200,000 tons of cereals, 67,000 hides and 107,249 quarters of beef.

MONOGRAPH REPORT

2655-L-26

SUBJECT---ECONOMIC NOTES---ARGENTINA

From ARGENTINA---ECONOMIC

No. 2449 Date September 14, 1921

Replying to No. Date, 19

(23) Land
(68) Railway

Concerning the raising of their tariffs by the railways without Government authorization, in a joint note dated August 4th, the railways hastened to declare that it was not their intention to fail to recognise the authority of the Nation and its Executive, and begged to state their absolute acquiescence with any decision the Government might take in the matter.

The Government then ordered that the companies refund the difference collected, between their former tariffs and those put into force by the majority of the companies some months ago, without Government authorization. On the other hand, the Government condoned the fines which it had been levying daily on the companies for their alleged infraction, (in collecting the augmented tariffs) and an early investigation was promised by the Ministry of Public Works of the existing tariff system. It is reported that the excess tariffs returnable to freighters represent between all the companies, something like six million pesos, (paper) and that the fines imposed totalled to something in the neighbourhood of five millions of the same currency.

The decree ordering the return to freighters of the excess collections and condoning the fines imposed on the railways was made known on Sunday, 21st August. As from 1st September, the companies have, with Government sanction, been charging the same (increased) tariffs as they had been collecting for the past few months. It appears that the Government has found the augmented tariffs introduced by the railway companies as "just and reasonable". As from 15th of September the passenger fares will also be augmented about 20%.

(77) Cable

On September 13th it was reported from Rome that a contract had been signed for laying a cable direct from Italy to South America.

This is the first Italian cable, and is said to be the longest yet laid. Its cost will be about 350 million lires, and the Italian Government will assist in laying of cable with its ships.

Binding Margin.

(A12)

(27) Fluctuations

The returns issued for the first half of 1921 show a considerable decrease in the birth-rate of the Federal Capital. With a population of 1,692,600, the births were only 16,945, or at the rate of about 34,000 per annum; when the population was 308,000 less (in 1914) births numbered nearly 51,000.

There has been a great increase in the population of Buenos Aires in the last decade, in spite of the almost complete cessation of immigration during the World War.

The following are the details for the last eleven years:

	<u>Population</u>	<u>Births</u>
1910	1,317,763	45,001
1911	1,360,406	47,830
1912	1,428,042	48,752
1913	1,484,010	50,700
1914	1,384,106	50,631
1915	1,598,511	45,480
1916	1,610,594	43,061
1917	1,624,885	43,166
1918	1,640,808	40,937
1919	1,658,269	40,258
1920	1,681,241	41,412
1921 (6 months)	1,692,600	16,945

In some quarters, the decrease in the birth-rate is attributed to the high cost of living. The number of marriages has increased, but the great increase in the cost of necessities, it is alleged, has led to a "strike of mothers".

PUBLICATION REPORT

2655-L-26

SUBJECT THE ENGLISH RAILWAYS AND THE ARGENTINE GOVERNMENT

From ARGENTINA

No. 2470

Date October 10, 1921

Replying to No.

Date 2655-L-26, 19

Referring to Report #2449, dated September 14, 1921 the following report of developments in the conflict between the railways and the Government is taken from the "Review of the River Plate":

By the end of 1920 the railways companies operating in Argentina found themselves in serious financial straits owing to their enormously increased working expenses. Increased cost of railway working in these recent years of universal economic chaos has become an accepted fact. In the case of the railway companies in Argentina, not only did the greatly elevated cost of materials and fuel operate, as well as the higher wages inherent to the world-wide process of transition, but recent Governmental enactments regarding working hours necessitated the employment of larger numbers of workmen, with the resultant increased expense. And moreover, that laudable institution the Railway Pension Fund involves quite an outlay by the railway companies.

Finding themselves confronted with almost certain deficits and possible financial disaster, it was but natural that the railway companies should have recourse to their only means of salvation: increased tariffs. After careful consideration seven of the companies announced (early this year) to the "Dirección General de Ferrocarriles" their intention of raising their tariffs on certain classifications. Due attention had been paid to the capacity of the articles of transport affected to support the increased freights. Live-stock was excluded. The seven companies that intended to increase their rates were: the Buenos Aires and Pacific; Buenos Aires Western; Buenos Aires Great Southern; Argentine North Eastern; Entre Rios; Cia General; and Rosario-Puerto Belgrano.

The companies interested were made aware in due course that the "Dirección General de Ferrocarriles" had reported favourably to the Ministry of Public Works on the proposed increases and that it had found them to be "just and reasonable". Accordingly the increases were put into force.

On the 15th of March, however, a Resolution of the same "Dirección General de Ferrocarriles" appeared, ordering the companies to desist from collecting the augmented tariffs, fining them each \$5,000 m.n. for the infraction and intimating that fines (rising by rapid gradations to \$10,000 m.n. per day) would be inflicted on each of them for a continuance of the "offence". The railway companies basing themselves on the law as they understood it, disregarded the intimation and continued to collect the augmented tariffs. Incidentally they continued to incur the daily fines-----which were soon running at the maximum above mentioned \$10,000 m.n. per day. This state of affairs continued until 21st August last when the Government issued a decree which declared the increased tariffs null and void, ordered the companies to return excess

Binding Margin.

collections to the "interested parties", condoned the fines incurred, and ordered a study of the tariffs by the Ministry of Public Works to ascertain if and what "just and reasonable" increases could be permitted.

At the same time that the foregoing decree was issued, publicity was given by the Government press organ "La Epoca" to a Note signed jointly by the seven companies already referred to and dated 4th August. In this note the companies explicitly disavowed any intention of contumacy or disrespect towards the Government and undertook to accept and abide by whatever ruling the Executive might give in the matter of augmented tariffs. It was believed that this note would have as a result the settlement of the controversy by Governmental endorsement of the finding "just and reasonable" by the "Dirección General de Ferrocarriles".

The decree of 21st August above referred to, came as an absolute surprise to the railway companies. Their local directors and managers met to discuss the situation and a deputation of them thereafter had an audience of the President of the Republic at which His Excellency conveyed the impression to them that not only had the Government no hostile intent towards the railway companies, but that it recognised the necessity for the increased tariffs and that these would receive almost immediate official sanction.

Thus on August 31st each of the companies which had put increased tariffs into force received a Resolution of the "Dirección General de Ferrocarriles" authorising the augmentation of certain tariffs.

These Resolutions were not published by the Government. The result was that when it became apparent after September 1st that the railway companies were again charging increased tariffs, the assumption gained ground that they were contravening the decree of 21st August. In consequence, protests began to come in from different parts of the country, and the question was raised in the Chamber of Deputies, when the Government was invited to explain the situation. In the meantime a Resolution of the Ministry of Public Works was issued repudiating the separate Resolutions.

On September 30th the Local Directors of the seven railway companies referred to presented to the Minister of Public Works a joint Memorial. In the document the railway companies expressed their surprise at the Resolution of the Minister of August 27th rescinding the tariff authorisations given by the "Dirección General de Ferrocarriles". Later the Minister asked the "Dirección General de Ferrocarriles" to furnish him with details of all increases in railway tariffs put into force from August 1914 to December 1920. On October 4th the Minister issued a lengthy document terminating with a brief Resolution rejecting the Companies' petition for reconsideration and maintaining the Resolution of September 27th in its entirety.

What was termed an opportune example of the difficult financial situation of the railway companies in Argentina, by the "Review of the River Plate" of October 7th, concerned the final dividend announcement of the Buenos Aires Great Southern Railway. According to telegraphic advices from London, the Board recommended a final dividend of 2 per cent., making with the interim dividend 4 per cent for the year, subject to income tax. The significant point is that £550,000 is transferred from General Reserve Fund to Net Revenue account in order to permit of the payment of this final dividend. The Buenos Aires Western Railway too, is paying a final dividend of 2 per cent., making with the previous interim dividend, 4 per cent for the year. In this case also, it is announced, that recourse has had to be had to the Reserve Fund to the extent of £500,000.

PUBLICATION REPORT

SUBJECT ITEMS OF ECONOMIC INTEREST----ARGENTINA

From ARGENTINA

No. 2450 Date September 14, 1921

Replying to No. Date

LIVE STOCK SHOW AND INDUSTRY.

The great annual show of Argentina's fine live stock has just been held, and as in former years, the quality of the exhibits in the different sections, was exceptionally good.

The visiting judges sent out by the Royal Agricultural Society of England were all authorities and well known breeders of the different classes of animals they judged. The many classes for Shorthorns and the great popularity of this breed, makes the Shorthorns the most important feature of this great show.

The presentation of animals at the show showed excellent care, and the entries very worthily represented the high grade of perfection reached in breeding in Argentina.

The Argentine Rural Society is deserving of much credit for the excellent show arranged, but which unfortunately this year has been held during very unfavorable conditions in the camp. The prolonged drought, absence of pasture and drop in the values of fat cattle are factors detrimental to the sales.

AMERICAN LOAN TO ARGENTINA

A telegram from the United States dated September 2nd stated that it became known there on that date that the National City Bank and the Guaranty Trust had acquired bonds of the Argentine State Railways to the value of five million dollars. It was stated that these bonds carried interest at the rate of 8% per annum and they were to be guaranteed by the Argentine Government and proceeds of their sale to be utilized in the purchase of locomotives for the State Railways from the Baldwin Locomotive Works.

In connection with the negotiation of a loan in the United States different reports have been in circulation for some time past, but the Minister of Finance always declared that notwithstanding the state of the Government finances and of exchange, none of the proposals made to the Government were acceptable, because the rate of interest stipulated was too high.

It now appears that negotiations have been resumed and "La Nacion" reports that the President of the Republic is intervening directly in the matter. The loan is now stated to be for 50 million dollars, and the President's opinion has been quoted as follows:

"The Argentine Republic requires a loan, repayable in instalments spread over a certain number of years (probably three years). If the United States are in a position to accord the loan not only will the desired end be attained but an interesting experiment relative to the exchanges between the two countries can be carried out. Supposing the adverse balance of the Argentine Republic today to be 50,000,000

dollars, a loan for a like amount ought, in theory at least to stabilize the exchange bring the "peso" to about parity with the dollar."

UNION OF ARGENTINE AND BOLIVIAN RAILWAYS.

A report published in the "Times" supplement in the month of August, 1921 stated that the Bolivian Government had contracted with a firm of American engineers to build the projected railway, which, starting from La Quiaca on the Argentine frontier, would terminate at Atocha in Bolivian territory, having an extension of 126 1/2 miles.

The project---or rather railroad convention---was signed in Buenos Aires 26 years ago, and has gone through many vicissitudes, since then.

The combination of Argentine and Bolivian railroads states "La Prensa" should have been carried out years ago. Argentina has built a line to La Quiaca, and is now talking of constructing one to Yacuiba. It is believed that the construction of this latter branch is of far greater commercial importance than the line via Huaitiquina, which undoubtedly favors Bolivian interests more than those of Argentina.

MONOGRAPH REPORT

3 - /

2607-23
NOV 19

SUBJECT--ECONOMIC NOTES---ARGENTINA-----

From--ARGENTINA-----ECONOMIC

---ECONOMIC MONITOR

No. 2420-----Date--October 17-----, 1921

Replying to No.-----Date-----, 19

(Add)

(5) Products

(44) Food

(45) Work

By decree dated July 11 the Government threw open 7,647,057 hectares of land for agricultural and pastoral colonization, situated as follows:

Chaco.....	1,453,750
Formosa.....	822,050
Misiones.....	429,157
Chubut.....	3,397,100
Santa Cruz.....	1,540,000
Tierra del Fuego..	5,000

(14) Raw Materials

(41) Mineral

On July 20, 1921, the President sent a message to Congress asking that the bill of September 23, 1919, nationalizing the oil fields in whatever part of the Republic they may be, be passed.

Binding Margin.

(Add)

(23) Land

(82) Railways

The Ferrocarril Transandino Argentino (Argentine Transandine Railway) has requested permission of the Government to augment to \$4,000,000 the amount of the external loan which was authorized for a sum of \$3,500,000 in order to electrify the 48 kilometers between the Chilean frontier and the station Sanjon Amarillo. The reasons for this action are stated to be briefly as follows:

The increase in the price of coal, the use of cheap hydraulically generated electric power, diminution in the purchase costs of locomotives, etc., the use of electric locomotives will diminish the maintenance cost of the road on account of the slow velocity permitted by that line which allows all the wheels of the locomotives to be driving wheels so that the total weight is uniformly distributed.

(Add)

(5) Products

(14) Raw materials

On July 20, Mr. Saburoo Fujisaki of the firm of Fujisaki & Co. operating in Brazil, President of the Fujimasu Co. Ltd., operating in Buenos Aires and Montevideo, and Director of the Formosa Sugar Company, arrived in Buenos Aires to investigate agricultural conditions in the country and to establish agricultural enterprise in the interior.

(Add)

(24) Shipping

(71) Ocean

Several shipping companies operating to Argentine ports have recently requested the Treasury Department to give them a ruling as to whether their ships may trade between Argentine ports and Port Stanley and other ports of the Falkland Islands, in view of the provisions of Argentine law prohibiting ships under a foreign flag taking part in Argentine coastwise trade.

A written opinion recently given by the Attorney General of the Treasury states that however well founded Argentina's claim to the Falkland Islands may be, as long as they remain in the possession of the British Government, they must be considered foreign territory as far as the coastal shipping laws are concerned, and that there is therefore no legal prohibition against foreign ships carrying cargo between Argentine ports and Port Stanley.

(14) Raw Materials

(41) Mineral

The Argentine Government is reported to have decided to appoint Captain Jacinto Caminos of the Argentine Navy, retired, as Administrator of the Petroleum plant at Comodoro Rivadavia. On writing above it is learned that Captain Francisco Borges, Argentine Navy, retired, has been appointed Administrator of the Petroleum Exploitations at Comodoro Rivadavia and has left for his post.

The total production of the wells of the Government petroleum administration produced 171,257 cubic meters, 430 meters from January to July 31, 1931. The production by months is as follows:

	<u>Cubic Meters</u>	<u>Liters</u>
January.....	24,880	580
February.....	27,882	440
March.....	31,838	500
April.....	23,447	90
May.....	22,012	130
June.....	22,024	480
July.....	20,324	840

(Add)

(24) Shipping

A credit of 2,000,000 pesos has been opened for the Minister of Public Works for the work in connection with the construction of the Port of Mar del Plata.

(Add)

The Embassy was informed that Mr. Emilio Kinkelín, representing the Hugo-Stinnes interests, has made overtures to the Argentine Government for the construction of a new Atlantic port on the Bay of Sanborombon, the concession to include a railroad from that point to Buenos Aires. The Argentine Navy Department, however, informed the United States Naval Attache that there was not enough water in the Bay for the founding of a port.

(16) Energy

(Add)

(48) Heat

British coal interests have been making strenuous efforts to regain their local coal trade, and made offers to the Compania Alemana Transatlantica de Electricidad, now owned by Spanish capital for their supply of coal for next year, amounting to about 200,000 tons, delivery to begin in April, 1922, and to continue over a period of one year from that date.

The last purchase made by the Compania Alemana was ordered in the month of February last and went to Acosta and Company, representing the Consolidation Coal Corporation of New York.

The contract was placed on the 5th of August and went to British interests. The Manager of the Compania Alemana informed the Commercial Attache that the British interests allowed the Compania Alemana to make their own price, and stated that, while one American firm had bid, he was convinced that no American exporter could meet the price quoted by the British. It was learned that price quoted is about equivalent to \$9.00 U.S. currency per long ton c.i.f.

(Add)

(37) Radio

The Argentine Government has granted an extension of 18 months to the concession of the Pan American Wireless Telegraph and Telephone Company in regard to its proposed installation of a wireless plant near Tigre.

(Add)

(38) Messenger

(83) Postal

The income of the Post Office Department for the year 1920 was \$23,001,197.88 pesos (approximately \$976,000 U.S.). Of

this \$15,417,728.88 being from the posts, \$7,011,392.74 from the telegraphs, and \$572,075.24 from other sources. This is a total increase of \$3,267,108.08 pesos over the year 1919. The general correspondence handled during 1920 consisted of 1,207,041,625 pieces as compared with 1,013,582,153 in 1919.

(22) Land

(68) Railways

Work continues on the Salta-Huaytiquina road and an editorial article in "La Época" of September 25th states that work will soon be commenced on the line from Embarcación to Yacuiba on the eastern frontier of Bolivia. The same article states that the Chilean Government has informed the Argentine Government that the construction of the Antofagasta-Huaytiquina section of the Salta-Antagasta line is the object of preferential preoccupation on the part of that Government.

MONOGRAPH REPORT

3-1

2655-1-34

3/8

SUBJECT ECONOMIC ITEMS ----ARGENTINA

From ARGENTINA

No. 2534 Date November 7, 1921

Replying to No. Date 1921

(Add) (14) Raw Materials
(41 Mineral)

It is reported that in the province of Jujuy at a distance of twelve kilometers from a spot called El Quemado valuable oil fields have been discovered. An engineer of the State Railways has been prospecting for oil for some time past in the district, and most favorable results having been obtained, it has been decided by the State Railways to carry out boring on its own account. A metal tower, 20 meters in height, machinery, pipes and other material to the value of \$162,230.52 m/n pesos has been purchased from a German firm for this purpose.

(Add)

In the annual report on the Government exploitation of oil fields at Comodoro Rivadavia the following details are given concerning production, sale and transportation of oil during 1920:

The total production of oil was 236,543 m3; showing an increase of 20.44 % on that of the year 1919.

The progressive increase in the sales of oil and amounts received in payment for same was:

Years	Tons	Amount \$m/n	Average price \$m/n
1916	88,395,770	3,970,952.65	44.92
1917	140,732,967	9,373,123.15	66.60
1918	162,276,007	14,469,510.67	89.16
1919	162,625,007	10,910,442.43	67.09
1920	152,265,506	10,917,225.18	71.23

The oil transported by the tankers during the years was:

By Eng. L.A. Huergo: 21 trips. Loaded 96,717,348 kilos of oil at Comodoro Rivadavia; unloaded 86,487,082 kilos in B.A.

By Aristóbulo del Valle: 18 trips. Loaded 58,814,308 kilos of oil at Comodoro Rivadavia; unloaded 43,813,209 kilos in Buenos Aires.

By Ministro Ezourra: 9 trips. Loaded 23,730,573 kilos of oil in C. Rivadavia. Unloaded 16,634,429 kilos in B.A.

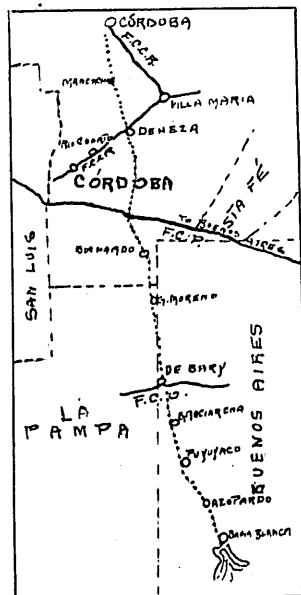
The differences noted between that loaded in C. Rivadavia and unloaded in Buenos Aires correspond to the oil delivered to the Ministry of Marine at its depots in Bahia Blanca and Rio Santiago, the total of which was 32,321,449 kilos.

Binding Margin

(23) Land
(68) Railways

In Argentina all the State lines are tributaries of the privately owned railway lines, for the State lines do not reach any of the large ports. When built the projected line would resemble the "vertebral column" of all the State system from Jujuy to Bahia Blanca.

There is given below a diagram showing the proposed line.



F.C.R. CENTRAL ARGENTINE T.R.
F.C.P. MADRID T.R.
F.C.P. WESTERN

The Administration of the State Railways acting under the provisions of Law 6,757, has secured a credit in the United States for \$13,000,000 U.S. currency, of which ten millions are to be expended on rolling stock and other railway material, the remaining three millions to be paid in cash.

The loan is for a period of five years, 6 per cent interest, and the Government may redeem the advance at any time on a month's notice. The 2,000 waggons included in the contract must be built in the country, the imported material being sent to the workshops at Salta to be utilised with Argentine timber.

The Middletown Car Company and the Baldwin Locomotive Works, the firms who have offered the loan, have undertaken to hurry forward delivery to the utmost extent possible and to hand over 85 locomotives and 2,000 waggons within a relatively brief period.

(Add)

(70) Highways

The Legislature of the Province of Entre Rios recently sanctioned a law providing for the building of roads and highways.

A propos of the sanction of this law an Argentine daily remarked that the matter was much more important than would at first appear.

Argentina, properly speaking, has no roads. As far as railways are concerned, the country is well off having the most important system in South America (37,000 kilometers). However, the immense extension of Argentina's territory (2,797,113 square kilometers) with but a small population (8,084,084 in last census) shows a very curious diversity in density---due principally to the lack of roads.

In the course of the railway strikes---the harvest was completely held up for there were no roads available. Not only in the Province of Entre Rios, but throughout Argentina, this is a problem which requires urgent attention.

(Add)

(24) Shipping

The Port Workers' Union a few days ago addressed a note to the Executive begging that the decree for officialising the port service be annulled.

The majority of the port workers have expressed the opinion that the intervention of the Government should be limited to a mere Custom-house registry, without this, however, implying the restriction of the liberty of the men who may inscribe their names in it.

(Add)

(29) Gold

(87) Circulation

Law 9483 which prohibited the exportation of gold during the war, is still being strictly applied by the Executive Power. This is abusive and illegal, yet it is impossible to openly export gold from Argentina. Nevertheless from October 1920 to September 30, 1921 gold in the private banks had decreased from 46,178,790 pesos to 36,381,396 pesos.

(Add)

(33) Industrial

(100) Fluctuations

During the last week of October more than 14,000 passengers (the majority immigrants) arrived in Argentina.

On November 3, 2200 immigrants arrived by Dutch, Norwegian and Italian liners. Over 1600 immigrants mostly Syrians left Genoa on October 23 for Brazil and the River Plate.

This sudden increment in immigration represents largely the "swallow" influx for the harvest.

German Immigration

A German colonizing institution of Berlin, entitled "Sud-amerikanische Kolonial Vereweiigung" has requested information of the Direction of Lands and Colonies regarding the area of land still without settlers in the Characay region, in the zone of influence of the Central Northern Railway. Enquiries were also made as to whether the Argentine Government would be willing to give out lands suitable for immigrant colonization in the region stated or in others not less favourably situated with regard to railways or navigable rivers, exclusive of the

territories of Misiones and Tierra del Fuego.

The institution also required to know if the Government would be willing to facilitate the work of the German Minister in this city on the arrival of immigrants to Buenos Aires so as to have them sent on to their destination without loss of time.

The Director of Lands and Colonies has replied to the effect that there are lands disposable in the new colonies created by the decree of the 11th of July last and that many of these are situated near the Chacarita Colony, and close to Las Breñas and Victorino de la Plaza railway stations, whilst over the entire Chaco Territory there are lands suitable for agriculture and grazing of an aggregate extent of over 1,400,000 hectares.

(Add) (35) Health
(106) Disease

In the year 1920 1,668 patients suffering from tuberculosis were interned in the Muniz (isolation) hospital. Of these 987 died giving a percentage of 60%.

The spreading of this disease continues to alarm the authorities, but little of lasting benefit is done to stop it.

(Add) (39) Consumption
(117) Normal

Buenos Aires, in comparison to its population, is one of the cities which eats most. Food is imported from every country in the world. Fortunately the staples; meat and bread are produced here. There has been a slight falling off in the consumption of meat in the last year, caused, it is said, by its higher price and the fact that before only meat was eaten---now it has been learned to eat other things as well.

The table given below refers only to the meat which has entered Buenos Aires via the meat packing plants during 1920:

Months	Packing Plants	Beef kilos	Mutton kilos	Pork kilos	Total
Jan.	5	4,143,549	1,016,657	12,910	5,173,107
Feb.	5	6,127,765	1,423,033	12,283	7,563,081
Mar.	5	4,889,753	1,512,673	16,971	6,419,396
Apr.	5	4,153,723	1,136,585	3,558	5,293,865
May	5	4,378,910	1,266,101	5,904	5,850,015
June	4	4,897,995	1,295,065	14,795	6,207,855
July	4	5,331,695	1,627,038	43,010	7,000,743
Aug.	5	4,608,590	1,504,746	89,206	6,202,542
Sept.	5	4,511,023	1,360,703	147,824	6,019,610
Oct.	5	4,430,113	1,353,373	174,912	5,937,297
Nov.	5	4,104,854	1,175,244	89,401	5,369,499
Dec.	5	3,893,933	1,294,380	36,254	5,224,577

Totals 55,670,991:15,934,580: 646,118:72,281,617

PUBLICATION REPORT

3-1 2655-2-38

SUBJECT...REPORT OF THE MINISTRY OF AGRICULTURE ON OIL FIELDS.

From...ARGENTINA

No...2577 Date...November 17, 19 21

Replying to No... Date... 19

The Argentine Ministry of Agriculture recently presented its report to Congress on the exploitation of the Government owned oil fields during the fiscal year 1920.

The report states that work at Comodoro Rivadavia has been carried out normally in spite of certain delays in the reception of materials contracted for abroad, and other unforeseen circumstances, which have prevented the development expected.

Difficulties which have arisen.

It has been stated that the lack of special legislation on oil is one of the reasons why the industry has not reached the degree of development hoped for. This fact is undoubtedly true and it may be pointed out that:

- a) Official exploitation of the oil fields should be normalized by granting the necessary autonomy and the faculty of dealing with the Provincial Governments directly, thus avoiding that the oil fields fall into the hands of foreign speculators, who are more interested in keeping up their claims than in starting to work on them.
- b) That it is indispensable to draw up rules so that not only will the privately owned oil fields become fiscalised, but also that reliable companies be protected against requests to prospect, when these requests are not backed up by serious geological studies of the region. Furthermore and in view of the term allotted by the Mining Law to start work, if the persons interested have not the intention of working, nor the means, they shall not be in a position to prevent others from prospecting.
- c) That those who request permission to prospect, and without having done anything put up their permissions for sale, be prohibited from doing so.

Production of oil.

The production of oil in 1920 has been of 226,543 m3; so there has been an increase of 20.44% on that of the year 1919. This increase would have been of at least 30% if the work of boring and extraction had not been interrupted almost entirely during the first months of the year due to the strike.

While during the first four months of 1920 the mean monthly production of oil was of 13,688 m3 and 780 liters, in the second four-month period it rose to 20,410 m3 and 430 liters. In the third it reached 23,536 m3 760 liters. Thus it may be deducted that without interruptions approximately 21,600 m3 could have been produced monthly, giving about 260,000 m3 for the year, that is to say more than double the production of 1916 which was of 129,780 m3.

Borings.

This work has felt the influence of the partial and momen-

tary consequences of the strike for although in 1919 13,221.76 perforations were made, in 1920, only 11,383 m 70 were undertaken. For the first four months of the year figures were 1,197.62, for the second four months 4,803 m.73, and for the third four months 5,382 m.15.

Quality of the oil.

Far from degenerating in quality, the oil extracted at Comodoro Rivadavia has not only maintained its quality, but tests undertaken at various of the wells in the reserved zone, have shown that the petroleum found there is of less specific weight and has a greater proportion of light essences.

In the old wells it has been noted that the proportion of water has increased, which, though natural, has necessitated remedy by dehydration.

Even though all precautions have been taken to avoid the water invading certain wells, it has not been possible to do so, and even so the proportion of water is not greater than that found in other national and foreign petroleum wells.

As the dehydration plant has not sufficient capacity to treat all the petroleum produced, and eliminate the excess quantity of water, it was necessary to make some deliveries with a greater proportion of water than is allowed; however, the Direction of Petroleum made a reduction to the purchasers, the total amount of this kind sold being 2,947,580 kilos.

Measures are being taken so that this will not again occur.

Storage and transportation of the oil and its by-products.

In spite of the capacity of the tanks for storage of oil at Comodoro Rivadavia ¹⁴⁵in relation to the production of oil, and said production was greater than what is considered as the standard, the tank ships did not transport monthly the amount of petroleum that might be calculated for various reasons. Principal among these were the repairs which the tank ships had to undergo as they have been in continual service for several years.

Thus a large quantity of petroleum got stocked up at C. Rivadavia, and the only tank-ships available for transport of same were the Huerco, Del Valle and Ezcurra. The number of their trips was increased, but even so it was found necessary to increase the number of tanks at C. Rivadavia until such a time as the tank ships recently purchased are ready. And further, it was decided to keep down the production at C. Rivadavia.

This is one of the reasons that the production of oil has not reached the maximum quantity possible from the wells perforated. This is not a loss, of course, but only a delay.

As is well known the relative production of the C. Rivadavia wells is six times greater than those of the United States, where there are two many wells bored, implying an excessive outlay on perforations.

Price of sale of oil and its by-products.

As the only resource that the Government owned oil fields at Rivadavia has is the sale of oil and its by-products, and as on the other hand the production of oil and its by-products only represents a part of internal consumption, it has not been possible to fiscalise the price of sale of these articles, the majority of which are still imported.

For this reason it has been impossible to exercise as yet any influence on the quoting of these oil products.

It is hoped that towards the end of 1921, the production of oil will be much increased, and then one of the objects of the fiscal exploitation of oil will be fulfilled.

Pecuniary Results obtained by exploitation.

During the World War and even after it, it has been found very difficult indeed to obtain materials, piping, machinery, materials necessary to stock and transport the oil, and the high prices demanded have limited purchases greatly.

The purchase of materials, piping, machinery etc. since the year 1916 up to 1920 inclusive is \$18,856,334.01 Argentine pesos.

Net profits from 1916 to 1920 are \$39,398,915.74 Argentine pesos, and deducting money for reserve funds, etc. the net profits are stated at \$29,272,139.58 Argentine currency.

Oil fields at Plaza Huinoul (Neuquen)

In the report of the General Direction of Mines, Geology and Hydrology all details are given concerning the work of exploitation and perforation of oil wells at Plaza Huinoul.

This field has entered into the initial period of exploitation, work having been done on lodgings for personnel, installation of work shops, provision of potable water and water for the boilers, distilling, storage of oil and by-products, lines of communication, installations for loading and unloading raw and prepared materials.

Up to December 31, 1920 the money spent of this field amounted to \$775,476.58 Argentine pesos. \$12,496.88 Argentine pesos, has already been made in the sale of petroleum at Bahia Blanca and Neuquen.

The oil field at Plaza Huinoul from the geological point of view and quality of oil is very different from that at Comodoro Rivadavia, and it is classed among the richest kinds of oil in light essences.

Until such a time as production does not reach 100,000 tons annually it will be necessary to carry out transportation by rail and cartage, after that it will be advisable to install pipelines to carry the oil great distances to the centers of consumption and ports of embarkation.

CONFIDENTIAL

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SERVICE REPORT

SUBJECT: ANGLO-PERSIAN OIL COMPANY'S ACTIVITIES IN ARGENTINA.

From: ARGENTINA---ECONOMIC

No. 2611

Date: December 1, 1921
Capt. J. C. GARNON

Replying to No. Date: JAN 7, 1922, 19

It appears that the active interest of the Anglo-Persian Oil Co., Ltd. in Argentina as a field for petroleum exploitation originated in a meeting which occurred last year in London between its Chairman, Sir R. Greenway and Sr. Dodero of Dodero Hnos., when a tentative agreement was reached whereby, provided that suitable concessions could be obtained and an Argentine Company formed by Dodero Hnos to handle the business from this end, and provided that the details of the above should be approved by the directors of the Anglo-Persian Oil Company, the latter would turn over its connections with Lucey & Company in the United States towards furnishing the material necessary for conducting the operations.

Accordingly, after the return of Sr. Dodero to Buenos Aires, an Argentine Company was formed with a capital of five million pesos paper; one million to be subscribed by the Argentine promoters, Dodero Hnos., the remaining four millions to be made up by the Anglo-Persian Company in supplies purchased in the United States and sent to Buenos Aires. The directors of this Company (Compania Industrial y Comercial de Petroleo) are Dr. Ernesto Bosch, ex- Minister for Foreign Affairs, Chairman, Sr. Jorge Lavalle Cobo, Sr. Benigno Benigni, Alberto Dodero and John B. Sullivan. The latter three are Italian, Uruguayan and American citizens, respectively.

In order that operations might be commenced at the earliest possible date, it was decided to acquire possession of the concessions which the Compania Sol had for some years been working in the Comodoro Rivadavia district. This Company had in its possession four pieces of territory, 1800 hectares in all, and two wells in process of drilling, but lacked capital to continue operations. I believe that Sr. Dodero had this Company's concessions in mind at the time of his first discussion with Sir. R. Greenway. In order to acquire them, a block of stock in the new Company was issued to the Sol Company, and the former company contracted to do certain things within a limited period, the most important of which were to continue drilling the two wells already under way and to erect six more within a period of six months from January 1, 1921. The new Company purchased 25% of the stock of the Sol Company and Sr. Benigni became Treasurer of the latter Company.

Having acquired control of these concessions, little time was lost in setting to work. A man named Crush was sent out by the Anglo-Persian, to manage the construction and drilling of the wells. He arrived on the field last January. With the assistance of six expert American drillers he has constructed living quarters, roads, water pipe lines, a railway depot for freight; he had erected by July 26 five new derricks, and

Binding Margin.

expected to erect the sixth before August 1, in order to comply with the terms of the agreement with the Sol Company. Although Well No.1 had been drilled under the old management to a depth exceeding 300 meters, Crush stopped all drilling operations pending the arrival of rotary drills from the States. These drills arrived in July, and it was expected that by August 1 three wells would be in process of drilling. A depth of 450 meters will probably have to be reached before oil is found and Crush told informant that it will probably be October before Well No.1 will have been extended the additional 150 meters. About 130 men in all are employed at the present time.

The territory in which the Company is operating includes two comparatively large properties, triangular in form, and containing 1,000 and 500 hectares, respectively. These properties are contiguous and are situated at a distance of about 10 kilometers from the coast. The railroad runs through the northernmost of the two, thus providing a means of bringing up the Company's material and supplies from the pier at which they are unloaded. Further to the east are two small properties of 100 and 200 hectares, respectively. It is in the smaller of these that operations were commenced by the Compañia Sol.

It is reported that a large amount of money had been expended, but as soon as oil is discovered the Company intends to invest additional capital to provide for a permanent camp, pipe lines, oil dock, and a line of tank steamers.

Sr. Carlos Burmeister, Manager of the works under the Sol Company is one of the pioneers in the Argentine oil business and a geologist and surveyor by profession. He is quite positive that oil will be found in large quantities, and the American drillers with whom conversation was held, are sure, from their practical experience that the Company will "strike it rich".

Sr. Burmeister had been commissioned by the directors of the Compañia Sol to report upon the progress made under the new management, in order that it might be determined whether or not the Compañia Industrial had fulfilled the terms of its contract. Both Mr. Sullivan and Mr. Crush appeared to be satisfied as to the work that had been accomplished during a period of five months, taking into consideration the tremendous difficulties attending the transportation of material and equipment from the United States to Comodoro Rivadavia, but Sr. Burmeister refrained from expressing an opinion on the subject. It is not impossible that the Compañia Sol will make trouble if there be any basis upon which it can demonstrate that the new Company has failed to continue the operation of the two wells drilling prior to January 1 and to erect six new derricks and have at hand the material for operating them. The Compañia Sol is believed to be of the opinion that under the terms of the present agreement it will not receive a sufficiently large proportion of the profits to be derived from the territory.

There is reported to have existed a considerable degree of dissatisfaction among the American drillers in the employ of the Company, one of whom has already returned to the United States. The causes for this appear to have been: first, the fact that these men were not amenable to being superintended in their work by an Englishman; second, the

extremely depressing psychological effect exerted upon them by the nature of their surroundings. Those of the men with whom conversation was held stated that they had never before worked under similar conditions, but that as they are now more comfortably housed and better cared for in every way, they intend to remain.

In addition to the concessions above mentioned, the Company has acquired control of some 10,000 hectares at Bahía del Fondo, south of Comodoro Rivadavia. It also has some territory in the Province of Neuquen and in another district----just where it is impossible to state. In the selection of these concessions, an important part was played by an Anglo-Persian geologist named Weatherhead, who went over the ground with Burmeister and, it is believed his opinion was followed. The Company is, however, concentrating on the Comodoro Rivadavia concessions and will not undertake to develop its other territory until it has begun to realize on that investment. In Burmeister's opinion, the Bahía del Fondo district is extremely promising. It is believed that it is in the rear of the Compañía Industrial's concessions at this point that the Company in which Senores Tornquist and Figueroa are interested has acquired control of several thousand hectares. No one there seemed to be familiar with the project of these latter.

There seems to be little doubt in the minds of those actively concerned that the entire southern part of Patagonia will soon be one of the world's great oil fields. There seems to be oil everywhere, although the Government has curtailed production owing to the lack of storage and transport facilities. The fact that the Government administration has drilled more than 130 wells, without failing to discover in each of them either oil or gas, would seem to indicate that the district possesses very great possibilities for future development.

The above report was written by Mr. Edward L. Reed, Secretary of Embassy on his return from a visit to Comodoro Rivadavia.

SUBJECT-----ECONOMIC ITEMS-----ARGENTINA-- G-2. REPORT

From--ARGENTINA---ECONOMIC

No. 2618 Date December 19, 1921

Replying to No. Date 19

RECEIVED 0/2 W.D. JAN 13 1922

(Add) (23) Land (68) Railways

The question of the fusion of the Transandine Railway and the construction of supplementary lines is again receiving much consideration. It is reported that Sr. Noel, Argentine Minister in Santiago, Chile, will be specially charged with negotiating these questions on his return to Santiago, and it is stated that he will take with him a draft convention regulating traffic and other questions on the Transandine Railways.

It is also officially reported that the Argentine Government will shortly enter into definite negotiations with the Chilean Government by which the former will agree to construct the Lonquimay Railway, provided the Chileans will construct the Huaytiquina-Antofagasta section of the northern line.

(Add)

The question of the railroad tariffs is still unsettled. The Companies stopped collecting the increase rates at the suggestion of their legal advisers and gave notice that in thirty days' time they would commence collecting them again. On November 10 they recommenced collecting under the new tariff, and fines were imposed upon them by the Government. They immediately reverted to the old tariff, but took the matter of the fines to the Courts, as they contested that the Executive Power has no right to levy fines on them.

There are many who are of the opinion that the Government is intending to ruin the Companies and then take possession of the railways, buying up the stock at low figures.

Others state that the matter is purely political, and that as soon as the elections are over the railroads will be allowed to charge practically whatever tariffs they wish.

(Add)

According to statistics published by the Foreign Office, there are at present 35,278 kilometers of railways in Argentina, only 395 of which have been constructed in the last five years. This is the lowest figure of construction for any like period since railway building began in Argentina and the Government has been attacked on this score by the opposition press. 28,984 kilometers of railways in Argentina are private owned, chiefly by British companies.

(Add)

The French Railway Company, the Compañía General de

Ferrocarriles de la Provincia de Buenos Aires, will be bought by the Government about the middle of December in order to bring the State Railways into Buenos Aires.

This Company has 1,256 kilometers of railways with a terminal station in Buenos Aires Capital, Rosario in Santa Fe Province and La Plata, General Villegas, González Catan, Vedia and Victoriano de la Plaza in B.A. Province. The purchase price of the railway material and installation will be about 45,000,000 gold dollars.

(Add)

Some little time ago the State Railway advertised for tenders for the completion of the woodwork of 2,000 wagons purchased as regards the undercarriage and steel framework from the Middleton Car Company and Baldwin Locomotive Works. It was decided to call the tenders in the Republic for the timber necessary to complete the vehicles thus assisting the lumber industry of the country. The wood has to be delivered sawn and ready for use.

(Add-)

On November 23rd, 1921 the railway line was terminated running from Stroeder to Carmen de Patagones (both these places are in the province of Buenos Aires to the extreme south and the latter is on the Atlantic). The work on said line has been paralysed for 7 years. The distance covered by the portion needed for completion is 18 leagues.

Transandine Railways (Add)

Recently a film was exhibited at Government House in the presence of the President and his Ministers showing the work being carried out on the Salta-Huaytiquina railway. The film is called "Towards the Pacific" and shows amongst other things the conscripts of the Railroad Battalion at work laying the rails.

On November 20th, 1921 two locomotives arrived in Argentina destined for use on the Salta-Huaytiquina-Antofagasta line. These locomotives were purchased from the Baldwin Locomotive Works, and are the most powerful narrow gauge engines which have been utilized in Argentina up to the present.

One of them, No. 800, mountain type, for passengers is 56 tons in weight and can carry 400 tons at a velocity of 50 kilometers an hour on a gradient of 25 %, which is the maximum gradient of the line.

The second one, No. 1.300, Santa Fe type, is for cargo trains, total weight in service being 130 tons.

Both locomotives will be set up at the shops in Rosario de Lerma and within 10 days it is expected will be ready for use on the line---80 kilometers of which have already been laid down.

Transandine Railways

The line from Bahia Blanca to the Pacific is largely built already on the Argentine side---Bahia Blanca to Zapala, 748 kilometers, and on the Chilean side between Talcahuano and Curacautin, 280 kilometers. On the Argentine side there remains to be built, 115 kilometers; on the Chilean side, 110 kilometers to the frontier; total, 225 kilometers.

The part lacking on the Argentine side has been studied completely by the Southern Railway Co. from Zapala (height 1013 meters), via Las Lajas and the Haichol River up to the summit of the Paso Mallin in Chile (height 1743 meters) with a distance between of 115 kilometers. Between these two places there exist considerable difficulties to impede the construction of a railroad line with a rack, of 1.876 meters gauge. The maximum gradient will be 35% and the minimum radius of the curves 200 meters. Only two tunnels have been planned; one of 100 meters length in the Haichol valley, and the other of 480 meters in the upper part of the Chilean Paso Mallin.

On the Chilean side complete studies have not yet been carried out.

Concerning the Argentine studies, the result of these was that undoubtedly of all the routes taken up that via the Chilean Paso Mallin was the most feasible.

A propos of the other line via Lonquimay, this finds great favor in Chile. The line planned would leave Lonquimay and cross the Andes via a tunnel under the Arrenal mountain, and would then reach Zapala in Argentina.

Which ever of the routes is finally adopted by both countries it is said that it would not mean the abandoning of the possibilities of the other routes. When good treaties of commerce and tariffs are drawn up, it is expected that there will be ample field for various lines.

British Owned Railroads

On June 30th, 1921 the four large British owned railways in Argentina presented their reports showing a very unfavorable balance.

These four railways are:

Buenos Aires to Pacific
Southern Railway
Western Railway
Central Argentine Railway.

The combined earnings of the four lines diminished to the extent of £3,287,053 whilst expenses increased to the enormous extent of £7,214,354.

The following table gives ample information covering Earnings, Expenditure, Profits, etc.

	Earnings		Expenditure		Profits	
	1920-21	1919-20	1920-21	1919-20	1920-21	1919-20
Central Argentine	9,746,664	9,769,754	7,779,799	6,604,943	1,966,865	3,164,808
Southern	8,732,527	9,539,786	7,364,273	6,600,973	1,368,254	2,938,813
Pacific	6,853,624	8,200,227	5,872,227	5,712,237	981,397	2,487,990
Western	4,145,130	5,254,231	3,767,246	3,651,035	377,884	1,603,196
	29,477,945	32,764,998	29,983,545	22,569,191	4,694,400	10,194,807

Above figures are in £ sterling.

	Number of passengers		Merchandise (tons)	
	1920-21	1919-20	1920-21	1919-20
Central Argentine	85,877,189	23,373,783	8,050,147	8,831,569
Southern	31,373,802	27,862,188	5,097,100	6,627,848
Pacific	10,830,822	9,797,363	3,350,149	5,011,133
Western	10,773,118	9,327,474	3,024,536	3,560,869
	78,853,992	70,280,768	18,521,932	23,431,419

	Number of animals		General Reserve Fund	Renewal Fund, 30/6/21
	1920-21	1919-20	30/6/21	
Central Argentine	8,583,669	8,860,299	673,174	2,749,397
Southern	6,696,632	6,206,366	730,363	3,436,450
Pacific	2,388,852	2,363,717	1,076,163	----
Western	9,242,933	7,466,311	683,940	2,166,737
	26,912,086	34,896,713		

(Add)

(15) Animals
(44) Food
(45) Work
(46) Forage

On December 12, 1921 the Stockbreeders of Argentina held a meeting to try and find a means to meet the present crisis in the industry. A committee was appointed to make suggestions and amongst others presented were the following:

- 1: To authorize the Bank of the Nation to make a paper emission of \$250,000,000 for the purpose of making loans to the stockbreeders.
- 2: To establish a minimum price for meat.
- 3: To obtain from the Executive Power that an emergency law be sent to Congress similar to the Rentals Law recently sanctioned whereby all contracts for renting of camps shall be rescinded. Renters shall be allowed to stay two years on property paying same rent as in 1914.
- 4: To obtain sanction of laws presented to the Chamber of Deputies on sale of stock at live weight and the taking up of a stock census.

A proposal was also made by an industrial firm in Buenos Aires to the Executive Power requesting a concession to rent two of the warehouses in the new port of the capital to convert them into meat freezing establishments. The meat frozen would be held on deposit there awaiting steamers to export it abroad for sale, and in the opinion of the Minister of Finance the proposal will probably be of assistance in solving the problem of the stockbreeding industry.

(100)

(90) Credits

On December 1st, 1931 it was reported that many of the banks in Argentina are over-loaded with money. The banks do not want to take fixed deposits, and it is stated that one bank has a deposit of nearly \$30,000,000 with the Bank of the Nation.

On the other hand the Government is hard pressed for funds, all the business houses feel the pinch for lack of ready cash, and cattle breeders are in great distress for lack of credit.

The Argentine Government has increased the term for the payment by France to Argentina of the loan of 100,000,000 gold accorded some time ago. Furthermore, France has been offered a new loan to be used for the purchase of Argentine products for whatever amount may be necessary at 5% interest payable half yearly and for a term of 5 years.

(Add)

(91) Debits

The loan recently made by a group of American bankers to the Argentine Government of \$50,000,000 U.S. has been totally exhausted in exactly two months. The money was used for commercial drafts to the U.S. and the Government made a profit of \$17,000,000 gold due to high rate of exchange at which drafts were sold.

(Replace)

(93) Banking

The Ministry of Finance published on December 1, 1931 the balance sheets of the banks in Argentina on November 30, 1931: The table shows the following totals:

Deposits in A/C and Savings Banks		Discounts and Loans		On hand in the Country
<u>Gold</u>	<u>Paper</u>	<u>Gold</u>	<u>Paper</u>	<u>Gold</u>
9,900,867	3,336,264,041	6,702,149	3,485,917,963	35,956,473
On hand in the country <u>paper</u>		Realized Capital or corresponding to the Argentine Republic.		
1,150,213,498		<u>Gold</u>	<u>Paper</u>	
		47,883,412	387,471,910	

(Add)

(94) Connections

Liabilities in commercial failures during November, 1931 amounted to \$12,626,722. The total shows a reduction of nearly six millions on the figures for October and represents about the monthly average for a year.

Details of failures for the eleven months are as follows:

January.....	\$11,292,375
February.....	9,848,641
March.....	10,238,394
April.....	13,188,215
May.....	7,409,832
June.....	16,182,335
July.....	12,967,423
August.....	14,567,589
September.....	9,355,707
October.....	18,610,942
November	12,626,722

(30) Health

(Add)

(61) Rebits

The Société Générale de Belgique, through the Argentine Legation in Brussels, has offered the Argentine Government a loan of 130,000,000 francs. The Minister of Finance confirmed this report and said that it would be a loan at five years. The idea is that it will enable the Argentine Government to purchase railway material in Belgium.

Bids for about 40,000 tons of steel rails for the State Railways were opened on November 28 and Belgian firms, gave the lowest tenders.

Other bids are to be opened shortly for purchase of material for Decauville railways and it is thought that the loan will facilitate purchase of all this in Belgium.

(Add)

(38) Production

(115) Control

The economic situation of the Republic is distinctly unfavorable at present. Low prices paid for beef and other agricultural products have reduced many estancieros almost to bankruptcy. It has been found necessary to postpone the collection of loans for agricultural enterprises for two years. Wages have not come down, however, and all the workmen are prosperous.

(Add)

(114) Organization

Small lots of ground near Buenos Aires which are sold on the monthly installment plan are still being sold in great numbers, although there is almost a stalemate in the sale of other property. The Postal Savings Bank is also increasing the number of its depositors and at the present time 116,777 children under six years of age have deposits in that institution.

(34) Shipping

(73) Coastwise

It is announced that the Directorate of Navigation intends to destroy fifteen ships which are now sunk in the River Plate and are a menace to navigation. It is also announced that the port of Buenos Aires will be enlarged and supplementary port works installed.

The decree again officializing port work is still in abeyance.

(67) Others

LA RAZÓN of November 17th gave statistics in regard to vineyards and wine manufacture in Argentina. In 1920 607,745,797 kilograms of grapes were used in the wine industry, giving 452,358,545 liters of wine worth \$150,000,000 pesos. Statistics in this country for the industry during the last eight years show a constant increase.

(43) Animal

La Nación of November 13th stated that there are good reasons to believe that Argentine live stock is diminishing instead of increasing and suggests the necessity for taking a census.

(Add)

(11) Organization
(53) Control

When the Budget Law was voted on September 30, 1921 all salaries up to \$300 were increased 20%.

It appears that this measure has now given rise to considerable dissatisfaction and difficulties. Dissatisfaction because workmen now get as much as certain foremen, and heads of small sections who were paid \$350 still get \$350 whilst their immediately inferior employees get \$380. \$300 before and 20% increase now which is equal to \$360. The difficulties arise from the fact that funds are apparently insufficient to meet the new demands.

(Add)

(73) Telegraph

The Executive Power has promulgated Law #11171 authorizing the construction of telegraphic lines in the province of Santa Fé, Córdoba, San Luis, Tucuman, Entre Rios and Santiago del Estero to cost \$500,000 paper.

(Add)

(27) Radio

(80) Radius

On the suggestion of the Governor of the Province of Santa Cruz it has been decided to set up wireless stations at Lake Buenos Aires, Lake Posadas, Lake San Martin and Lake Argentino. Then taking advantage of the station installed in Cabo Virgenes a very rapid system of communications will be established throughout the territory of Santa Cruz.

(Add)

(70) Highways

The President signed a decree on December 14th approving the plans for the erection of a bridge over Lake Setubal. The project will be carried out by the Ministry for Sanitary Works, and it is estimated that the cost will be not less than \$800,000.

(Add)

(100) Fluctuations

The Argentine consul in Berlin has addressed a request to the Ministry for Foreign Affairs that data and photographs illustrative of the land concessions and terms which could be offered to German colonists in Argentina.

The information asked for is to be sent to the Federation of Societies for Colonization and Emigration of Germany, which includes almost 80 bodies interested in the matter.

(Add)

(105) Sanitation

The Executive Power has just sanctioned the appropriation of \$30,000 paper for the upkeep of the sanitary stations in the roads and ports of Buenos Aires, Bahia Blanca, Rosario and others of the litoral.

(Add)

(106) Disease

Considerable difficulty has been experienced in doing anything with the Anti-Tuberculosis Bill which was debated in the Argentine Senate during the sessions. Due to political troubles the matter is at a standstill, and the building of a national sanatorium indefinitely postponed.

M. I. 2.

SUBJECT-- ARGENTINE -- PRODUCTION -- SERVICE -- REPORT

From ARGENTINA---ECONOMIC

No. 2628 Date December 18, 1931

Replying to No. Date JAN 13 1932

ARGENTINA'S ECONOMIC POLICY

("La Nación"—December 2.) By the steady persistence with which it pursued a systematic policy, Argentina, "La Nación" remarks, had succeeded in establishing for itself abroad a reputation for being one of the most propitious countries in the world for every form of legitimate enterprise, honest labour and the investment of capital. Thus foreign co-operation was attracted, and the public authorities here were far-sighted enough to recognise that such aid was invaluable, as it made for the greater well-being and more advanced culture of the country. From that time onwards the immigrant was looked upon and treated as a native, and foreign enterprise and wealth were heartily welcomed and taken, as it were, into the very bosom of the nation itself. And all this was sanctioned and protected by legislation, by the conduct of the authorities and by the prevailing customs.

The broad-minded policy described above had become generally accepted by the public, who through experience of its numerous results, had every means for fully understanding its true character. It was not regarded as a magnanimous idea but simply as a sensible one, that afforded advantage to the country itself. Argentina knew, our contemporary says, that she was arousing interest in capitalist centres, which commenced to feel the seduction of her potential economic capacity; but at the same time it was perfectly realised here to what extent foreign enterprise might contribute to the fulfilment of the nation's hopes of aggrandisement, as also that anything that either side might concede to the other would be wholly made up for by the benefit received in exchange. And thanks to that policy—which "La Nación" observes, "could not more be described as economic without belittling it, since it called forth all the higher expressions of foresight, justice, order and patriotism—Argentina managed to achieve, in less than half a century, a process of modern evolution, and of material, technical and industrial progress such as, comparatively speaking, has, perhaps, rarely been equalled.

But that state of things, if not altogether changed, is now, our contemporary declares, gravely threatened. During the past five years the renown of this country in the respect indicated in the foregoing has been declining with alarming rapidity, and in the minds of foreign capitalists not only

has the former brilliant image of Argentina become dimmed, but interest in the latter's affairs is lost. This is due, not so much to the hostile attitude assumed on various occasions of late towards the foreign undertakings established here, but to the general state of insecurity and the risks engendered by the confusion of ideas, the absence of a definite policy and the lamentable lack of judgment displayed by the supreme authorities of the country. The undertakings referred to have nothing to do with party questions, to which they consequently attach little importance, what they are most concerned about being the manner in which the State conducts itself, as regards administrative regularity and

uprightness, the good order of justice, adequate security for the public and a proper social policy—in short, "La Nación" adds, all the manifestations of public organisation which have been successively destroyed by this Government, this being the true cause of the estrangement of those foreign elements which are so necessary to the country's future progress. The gravity of this business arises from the growing indifference with which Argentina is now being viewed abroad, owing to the reason alluded to which is leading foreign capital to fight shy of the place.

In endeavouring to trace the cause of this Government's show of unconcern in the face of the above-mentioned fact, our contemporary gives it credit for possessing an elementary notion at least of the efficiency of the great financial forces and the powerful instruments of industry for the development of the wealth and the cultural and moral progress of the nation. Its fault, it considers, lies in its utter inaptitude for government, which is unfortunately displayed in many other aspects of the life of the State. It consists of an ignorance of governmental methods, and of the absolute need for regularity in social and political affairs, united to a certain fatalistic optimism, engendered by that ignorance, together with a want of knowledge of the world. The present rulers of Argentina are governed in their decisions by their immediate surroundings and the circumstances of the moment. Thus they think nothing can be better than what they actually see before them and that the natural resources of the country are all sufficient to minister to the appetite of its economic activity. With such a restricted outlook, they feel quite easy in their minds about the future and allow themselves to be dominated by the error in which they live. The consequences of this,

"La Nación" concludes, are visible. For the last five years not a single important or original enterprise has been started here in the field of production or industry. And it must not be imagined that this is an inevitable result of the financial prostration experienced in the great centres of capital, as such depression itself invariably leads to profitable openings for investment being sought in other countries. Argentina's neighbours in South America, to mention only Brazil and Chile, which are intelligently managed by true statesmen, have had numerous industries introduced into them and new sources of production opened up of late with the aid of foreign capital proceeding from the old financial centres. In this country, on the other hand, so long as anarchy and ignorance prevail in the Government, together with economic improvidence, and fiscal and administrative disorder, it may be taken as certain that the effective elements of aggrandisement will fight shy of it, being driven away from these shores by the systematic persistence with which men of enterprise are impressed with the conviction that no security is offered here for any undertaking, that being the very thing that industrial initiative and capital demand above all others—that is to say, the existence of such a system and guarantees as will permit the future results of the enterprise concerned to be foreseen with assurance.

SYNOPSIS: "La Nación" points out the mistaken course of the economic policy developed by the present Argentine Government. All manifestations of public organization have been successively destroyed by Argentina, and in the last five years no important or original enterprise has been started in this country.

Comment: The above is a fair estimate of real conditions. "La Nación" reliable and anti-Government.

Binding Margin.

3-1 2157-1-43

SUBJECT--ECONOMIC CONDITIONS IN ARGENTINA---SERVICE REPORT-----

From ARGENTINA-----

Serial 1,277. FEB 18 1922

No. 2652

Date January 10, 1922.

Replying to No.-----Date-----, 19

As already stated in various reports, Argentina is now passing through one of the worst economic crises in its history. The press for some time has devoted a very great deal of space to this subject, attributing its causes to a multitude of circumstances and offering a great many solutions. One of the principal causes is attributed to the frigorificos (packing plants) and they have been very bitterly attacked.

Sr. Joaquin S. de Anchorena, the President of the Argentine Rural Society, appears to have been the only prominent Argentine to have realized fully the real causes of the present depression, and he is the only one who has stood out and defended the frigorificos.

At the Cattle-raisers' Congress held in the middle of December, Dr. Anchorena tried to show the real reason of the depression and to indicate the only sound method of meeting it.

The agricultural interests advised co-operation as in the United States and Germany in order to combat large grain companies, and in the case of stock-raisers, the foreign frigorificos. It is estimated that the losses due to the lowering in price of grain and other agricultural products will amount to 70,000,000 pesos.

The stock raisers, representing the Bahía Blanca Rural Society, the Liga de Ganaderos del Sur, the Bolsa de Comercio of Bahía Blanca and the farmers of the south and west of the Province of Buenos Aires, presented a project for the alleviation of the present crisis in the pastoral industry of the country, as follows:

1: That the Executive Power should authorize the Banco de la Nación, in terms of the re-discount law, to issue 250,000,000 pesos m/n which would be discounted to cattle breeders subject to proper guarantees and to the other requirements of the regulations of the Banco de la Nación. These discounts would be subject to an amortization of 20% per annum and would be charged 5% interest per annum. That is to say, the cattle farmers would be given five years in which to pay off the loans under easy terms.

2: The Government to fix a minimum price for the export of meat of 65 cents per kilo.

3: To induce the Executive Power to send Congress, during the forthcoming period of special sessions, a project of an emergency law analogous to the recently sanctioned rentals law, which would declare rescinded all lease contracts of camps during a period of two years, and the rentals to be payable during the two-year period to be the same as those ruling at December 31, 1914.

4: To induce the Executive Power to procure the sanction during the special sessions of Congress of the law now before the Chamber of Deputies regulating the sale of cattle by live weight and order a live stock census.

The matter has become so acute that the Government, for electoral purposes, has made a big show of taking action to alleviate the crisis.

The Government first of all offered a credit of 100,000,000 gold pesos, on the same condition as the £40,000,000 credit of 1918 to the Allies, to the French Government for the purchase of Argentine raw products, and it has also, it seems, made a similar offer to the Belgian and German Governments. The Banco de la Nación has also, at the instigation of the Government, offered loans for a term of five years at 5% interest, with quarterly amortization, to the stock and grain raisers, and the Directors of the Bank of the Nation, called the Managers of twenty-seven private banking institutions into conference and requested them to give facilities also. These attempts to overcome economic laws appear to be illusory. Unless the grain and cattle-raisers have the courage to face the facts and take their inevitable losses, as has been done in other countries, it appears that it will be very difficult for them to accomplish anything soon.

The situation would appear to be about as follows:

The grain dealers (not the grain producers) about six months ago misjudged the American output of wheat and considered that the American and Canadian crop reports were exaggerated, whereas in reality they were somewhat under-estimated. They appeared to be firmly convinced that the American-Canadian output would be much less than reported and that the drought in Europe would also make the crop very slight so that Europe would be obliged to buy in Argentina. They also quite overlooked the rather unexpectedly large sowing of spring wheat by farmers in North Dakota and Canada, due to the high prices which existed at that time. They therefore held up their wheat and would not sell it, refusing even as much as 18 and 19 pesos per eighty kilos, and asked the Government, just as the cattle men are now doing, to fix a minimum price for the export of wheat. The Argentine Government did not do so, but the grain men felt sure it would. Furthermore, there was a large remainder of last year's crop still undisposed of which would tend to put prices down, whereas they were artificially trying to hold them up. The Argentine Government statistics in regard to this matter were discredited by the Rosario grain merchants who claimed that the statistics were very much exaggerated. The Argentine grain statistics are, as a matter of fact, extremely accurate, more so than in the United States even, as every threshing machine is obliged by law to send in an account of all grain threshed by it, and any machine can be stopped operating if it fails to do so. This was the first time in twenty-three years that the Government's figures were questioned, and the Chief of the Statistics went in person to Rosario and challenged the grain dealers there to show him in what way they were erroneous. The Buenos Aires Grain Exchange upheld him, and his figures were vindicated. It was this stubborn determination on the part of grain dealers and speculators to corner and hold up the world market in wheat, as Cuba attempted to do in sugar in the summer of 1926, that is to blame for the present situation. In their purblind belief that Europe would have to buy from them at the prices they fixed, they refused to sell when offered a fair price for their supplies and now they are only too glad to get 10 or 11 pesos for eighty kilos, if possible.

The cattle situation is au fond the same.

During the war cattle breeders thought that the world would be

obliged to buy from them at their prices for a minimum of six years after the termination of hostilities, and that they could continue to charge the high prices which they received during the war when other markets, through purely artificial causes, such as conserving transportation, etc., were closed. People lost their heads during the period of high prices, and renewed their contracts for land for a further period of five years at the high rentals existing a year and two years ago. The big cattle breeders are in the districts and provinces far from Buenos Aires, whereas those close by buy the cattle and fatten them on the better lands of Buenos Aires Province. During the high prices these latter bought a great many cattle which they now find are worth 40% less than they paid for them when lean and they have in addition fed them for a year or more.

The Banks made advances when prices were high, and to sell now at the present prices they will come out perhaps even on the cattle, but there will be nothing left to pay the rent of the land. Those who lease the land are not affected as they have their land leased out mostly on five-year contracts at the high rentals. Those who have leased the land are now clamouring, as stated above, for a law similar to the rent law in Buenos Aires city by which all contracts will be annulled, and it will be illegal to charge rents, irrespective of contracts, at a higher rate than that prevailing in 1914. Those who own the lands, and have leased them out are, however, precisely those who appear to have very considerable influence with the present Government and they may, of course, be depended upon to do everything possible to prevent such a law. Those who both breed and fatten cattle, especially on their own land, are not so much affected. They simply do not make as big profits as heretofore, but they do not stand to actually lose. It is mostly those who have speculated both in cattle and in renting land who will be hard hit. The big breeders far from Buenos Aires will also be hit because until those who make a business of fattening cattle are able to sell the cattle already on hand, they will be unable to buy more from the breeders in the outlying districts.

A number of land owners, however, are also very hard hit through speculating in cattle, and many of them will have to sell land. It is thought that in the next few months there will be a considerable breaking up of the very large estancias, and it is estimated by some that land values in Buenos Aires Province may fall as much as 25% or even 50%. This may be a benefit in disguise to the country as it will help to develop it by putting a bigger population on the land, and putting it in the hands of more people, which the very inadequate Homestead Law failed to do.

Until the Argentine producers realize the world condition; that the world is buying less because it is impoverished, and not only that, but that now competition has again entered in and that Europe will buy in the cheapest market, and until they resign themselves to taking their losses and starting again on a lower scale, nothing will be accomplished.

The one and only question concerning Argentine grain merchants is to meet the prices of the United States and Canada and, as regards meat, to meet the prices of the United States, Australia, New Zealand and South Africa. To fix an export price on meat is simply to cut off all sales of Argentine meat.

Dr. Anchorena has pointed out that Argentina supplies only 17% of the world's meat, whereas the breeders claim that they supply 60%, and can therefore dictate their own prices.

2655-2-44 MAR 8

SUBJECT--ECONOMIC ITEMS-----ARGENTINA-----G-2 REPORT-----

From-----ARGENTINA---ECONOMIC-----

No.-----2670----- Date-----January-28-----, 19 22.

Replying to No.----- Date-----MAR 3 1922-----, 19

(Add)

(27) Radio

(80) Radius

(81) Power

(82) Type

The German Company Transradio is well on the way to completion of the powerful wireless station being built at Monte Grande (suburb to the south of Buenos Aires).

The Transradio Co. is building its station on a piece of land covering 569 hectares. Work was commenced on January 19, 1921, and to date two of the six iron towers have been put up. Two other towers are in process of construction. These towers have a height of 210 meters and are isolated from the ground by a cement base. The towers rest on porcelain isolators. The antennae, built of a combination of copper wires, will be placed on these towers.

The receiving station will be built at a distance of 25 kilometers from the transmitting station in order to avoid any difficulties; they will be joined by electric wires.

It is planned to have telegraph offices throughout the provinces to facilitate a rapid development of the service. Thus the operator receiving the overseas dispatches, will transmit same to the central office in Buenos Aires, which will send them out all over the country.

This ultra-powerful wireless station will be connected with the whole world. To date dispatches are received daily from the following places:

Germany: Nauhen, Ellvase and Koenigswusterhause.

Norway: Stavanger;

Great Britain: Carnarvon and Clifden.

When the station is finished messages may be received from Australia; Hong-Kong, Aden and others; France: Lafayette, Lyon and Nantes; Russia: Moscow; Japan: Tokio and Funaoashi; Dutch Indies; Malabar; United States; in the east, Fort Jefferson; Sayville, New Brunswick, Marion, Tuckerton and Annapolis; in the west, San Francisco and San Diego; Mexico: Chapultepec. Central America: Darien on the Panama Canal. The Bermuda Islands Gayay. Honolulu: Kobosab and Pearl Harbour; Philippine Islands; Cavite and Guam; Holland, Assel, Italy, Rome and Pola.

It is expected that the service will be inaugurated about the middle of 1923.

(Add)

(41) Mineral

The new tank ship "Santa Cruz" purchased by the Argentine Government in Glasgow recently arrived at the Port of Buenos Aires captained by Commander P.S.Casal of the Argentine Navy.

Below is given the description of the "Santa Cruz":
Length, 110 meters; breadth, 14.30 meters; depth, 8.10
meters. Cargo capacity, oil, 5,494 tons in its different
tanks and 539 tons in the hold. The vessel makes 11.8
miles per hour.

(Add) (42) Vegetable

Exportation of cereals from Argentina during 1921
is shown in the following table:

DESTINATION	Wheat	Maize	Linseed	Oats
To orders	677,482	1,255,164	213,021	97,776
Great Bri- tain	128,257	258,748	281,867	109,481
Continent	513,119	1,272,427	582,702	164,427
Brazil	350,569	1,533	18	9,647
South Africa	--	--	1,537	--
United States	--	408	264,218	--
Various ports	33,903	40,894	7,639	13,106

Comparison with exportation in following periods:

PERIODS	Wheat	Maize	Linseed	Oats
Total, 1921	1,703,330	2,829,174	1,351,002	394,437
" 1920	5,032,979	4,409,953	1,050,401	412,309
" 1919	3,258,259	2,374,721	840,272	331,350
" 1918	2,929,419	647,657	391,053	538,536
" 1914	980,525	3,542,280	841,590	353,700

The following table shows total amount of other vegetable
products exported: (Jan. 1, 1921 to Nov. 30, 1921)

<u>Barley</u>	<u>Bran</u>	<u>Flour</u>	<u>Oleaginous Substances</u>
48,441	123,704	43,492	30,814

(Add) (43) Animal

According to the Register of Pedigree Stock kept by the
Argentine Rural Society, said pedigree stock has increased in-
stead of diminished as popularly believed.

The following figures are for the period comprised
between October 1, 1920 to September 30, 1921:

Shorthorns.....	13,658	and	14,738
Herefords.....	2,219	"	2,479
Aberdeen Angus.....	1,721	"	1,699
Lincolnshire Red			
Shorthorn.....	26	"	29
Red Polled.....	55	"	48
Devon.....	10	"	15
Jersey.....	56	"	41
Flemish.....	60	"	40
Normandy.....	104	"	200

Guernesey..... 4 and 3
 Polled Durham..... 80 " 34
 Holland Frisian..... 148 " 146
 " "varieties.. 52 " 98
 Sussex..... 20 " 10

Total altogether.. 18,213 and 19,579

Pigs. (Pedigree)

Berkshire.....3699
 Duvoc Jersey.....1029
 Poland China..... 699
 Tamworth..... 154
 Middle White York-
 shire..... 54
 Large Black..... 45
 Hampshire..... 20
 Chester White..... 18
 Poland China..... 10

Horses. (Pedigree)

Percheron..... 528
 Argentina(native)... 380
 Shire..... 248
 Clydesdale..... 195
 Hackney..... 192
 Anglo-Normand..... 49
 Boulonnais..... 48
 Hunter..... 37
 Yorkshire..... 18
 Suffolk Punch..... 17
 Polo Pony..... 11
 American Trotting.. 7

The following figures show the chilled and frozen meat exported during 1920 and from January to November, 1921.

1920			Jan.to Nov. 1921.		
Frozen mutton heads	Quarters Frozen beef	Quarters Chilled beef	Frozen mutton heads	Quarters Frozen beef	Quarters Chilled beef
1,726,059	:4,522,412	: 665,012	: 2,332,660	:2,776,133	:1,599,038

(Add)

(65) Sugar

The total production of sugar in Argentina during 1921 was as follows:

Sugar cane Crushed	Refined Product	Unrefined	By-products	Total Refined & Worked on.
2,418,907,340	:64,804,760	: 59,086,740	:39,110,780	: 196,682,280

(Repl... e)

(67) Others

The Report of the Rural Economy and Statistics Section of the Ministry of Agriculture on wine production during the last few years brings out the following salient points:

a) Between the annual average production of the four-year period from 1913 to 1916, and that of 1917 to 1920 there is an increase of 5.56 %.

b) During the same period the consumers have increased in a little over 6%.

c) The annual average of the population was 3,141,374 inhabitants, and 4,870,717 hectolitres or 56.4 per capita of wine was consumed.

IMPORTATION AND EXPORTATION OF WINE DURING LAST 8 YEARS.

Years : Production : Importation : Exportation : Balance :

1913	4,670,000	402,574	371	5,072,203
1914	4,546,000	274,853	2,065	4,818,788
1915	4,825,000	177,652	8,624	4,994,028
1916	4,439,000	115,795	58,373	4,496,423
1917	5,133,000	73,468	34,116	5,172,352
1918	4,698,000	48,674	51,630	4,695,044
1919	4,540,000	36,139	95,547	4,480,592
1920	5,138,000	48,474	51,594	5,134,880

(54) Labor

Statistics just published on strikes in Buenos Aires during the five year period 1916-1920, their causes, nature and results are as follows:

From 1916-1920, 108 general strikes took place affecting 535,802 workers of both sexes. This gives an annual average of 31.6 and 107,160, respectively.

Figures in detail as follows:

<u>Year</u>	<u>Strikes</u>	<u>Workers affected</u>
1916	9	24,853
1917	15	105,126
1918	17	43,625
1919	37	146,715
1920	30	115,483

The causes of these general strikes were:

<u>Cause</u>	<u>Total of Strikes</u>	<u>Total of Workmen</u>
Salary	52	131,636
Hours of labor	6	4,175
Organization	27	152,436
Conditions of work, modifica- tion desired	8	37,000
Sundry	14	210,555
Total	108	535,807

The high figure under the heading of "sundry" is accounted for by the social disturbances which took place in the month of January 1919, which degenerated into a great strike of a revolutionary character, affecting over 150,000 workers.

Of the 108 general strikes during the period 1916-1920, 42 were decided in favor of the workers, and 26 partially in their favor.

(Add)

(70) Highways

A new bridge is to be built over the Riachuelo River (to the south in the city of Buenos Aires) to replace the antiquated one called "General Pueyrredón". The bridge will cost \$1,662,380 m/n.

(Add)

(71) Ocean

The eastern mole of the new port at Mar del Plata has been terminated, and loading and unloading operations are now possible at that port for coasting trade vessels.

(Add)

(73) Internal

The General Prefecture of Ports has recently issued a series of regulations concerning navigation of rafts and lumber floats on the Paraná River. The regulations provide that the rafts must be very solidly built; that no raft or float can start without being properly inspected by the authorities who will issue the necessary authority for its navigation; during the night the rafts or floats are not to navigate and must be tied up or anchored away from the part of the river navigated by vessels.

(Add)

(91) Debits

The Executive Power has authorized the Division of National Public Credit to issue 60 million pesos worth of bonds of the Internal Debt. The new issue will be called Argentine Internal Credit, 1921; it will bear an interest of 6% and 1% amortization (accumulative) payable quarterly.

This issue of bonds is to cover the cost of buildings undertaken by the Public Works Department.

(Add)

(93) Banking

Early in January the Ministry of Finance published a report on the condition of the banks on December 31, 1921 showing the following figures:

Deposits in current accounts, fixed deposits and savings bank: \$10,088,449 gold, and \$3,352,157,991 paper.
Money in the country: \$35,782,463 gold, and \$1,067,130,824 paper.

Capital realized or corresponding to the Argentine Republic: \$47,883,412 gold and \$392,620,247 paper.

Thus, during the year 1921 there was a decrease of 153.2 millions in deposits, and an increase of 41.8 millions in discounts, and an increase of 5.9 millions in cash held by

held by banks.

Detaching the figures corresponding to the official bank (Banco de la Nación) from those pertaining to the private banks, it is noted that during the year 1921, deposits in paper currency decreased by 53.4 millions in the private banks and discounts by 58.4 millions, while cash held by banks increased 1.5 millions.

Concerning the Banco de la Nación the following is noted: 99.8 millions increase in deposits, 100.2 millions increase in discounts and 4.4 millions decrease in cash held by bank.

The net profits of the Banco de la Nación during 1921 were \$10,228,376 paper. In accordance with legal requisites this amount will be carried by halves to increase capital and Reserve Fund; the former is carried forward to 1922 with a balance of \$150,038,942 paper and the latter \$24,262,541 gold respectively.

During the last seven years 1914-1921 the condition of the banks in paper currency on December 31 of each year has been:

Years	Deposits (millions)	Discounts millions	Cash on hand millions
1914	1,178.4	1,163.7	404.1
1915	1,431.9	1,220.1	592.1
1916	1,623.6	1,295.4	624.3
1917	1,977.8	1,539.0	656.7
1918	2,818.0	1,875.8	830.3
1919	2,977.5	2,097.4	770.6
1920	3,505.3	2,486.3	1,081.1
1921	3,352.1	2,528.1	1,087.1

Lastly it is observed that the amount of money outside the banks in general circulation, 1,362.5 millions has not varied in 1921.

(Add)

(94) Connections

With reference to the barter arrangement entered into between the Argentine State Railways and Germany, to date, operations have been accomplished to the extent of two million pesos. worth of wool in return for railroad material.

(Add)

Argentine foreign trade during 1921 was as follows:
 Importation.....\$635,000,000 gold (Argentine)
 Exportation..... 672,000,000 " "
 Balance in favor.... 37,000,000 " "

Compared with 1920 the difference is:

Years	Importation Arg. gold	Exportation Arg. gold	Balance in favor A.g.
1920	881,300,000	1,031,000,000	152,000,000
1921	635,000,000	672,000,000	37,000,000
Difference -	246,300,000	- 359,000,000	-115,000,000

(Add)

(100) Fluctuations

Immigration to the Argentine Republic has been classified into 5 periods since 1870: normal immigration, insufficient immigration, excessive immigration, emigration and balanced immigration.

The normal immigration period was from 1870 to 1891, when the needs of the country in the way of immigration were satisfied giving an average favorable balance of 52,000 immigrants per annum.

The year 1891 is included in this period, though it was one of emigration really, due to the normal labor market having been reduced the previous year, which was that of the "crisis of '90".

From 1891 to 1903, Argentina had an average favorable balance of 48,000 immigrants per year.

From 1905 to 1913, the average annual favorable balance of immigrants was 206,000 persons. In the year 1912 nearly 400,000 immigrants arrived in Argentina. Then the reaction set in.

From 1914 to 1921 the movement of immigrants and emigrants was:

Years	Immigrants	Emigrants	Balances In favor (x) Against (-)
1914	281,998	341,394	-59,396
1915	138,265	203,753	-64,488
1916	151,602	201,747	-50,145
1917	109,063	140,040	-30,977
1918	115,032	123,439	- 8,407
1919	148,754	136,584	x12,170
1920	148,907	188,688	x39,781

(Add)

Births in the Argentine Republic from 1909 to 1920 have been:

Years	Births	Population on December 31	Coefficient of births
1909	241,205	6,586,813	36.63
1910	252,252	6,926,501	36.42
1911	265,704	7,173,849	37.04
1912	277,880	7,541,754	36.84
1913	286,162	7,849,113	36.45
1914	291,887	7,956,860	36.68
1915	283,176	8,051,540	35.16
1916	286,854	8,151,562	35.18
1917	276,264	8,266,778	33.42
1918	271,980	8,383,576	32.44
1919	276,477	8,521,310	32.44
1920	276,764	8,708,307	31.78

(Add)

Population of the City of Buenos Aires

Date	Population	Vegetative increase in x and - DECREASE	20% excess immigration on emigration in x and -
To December 31/20	1,681,241	x1,679	x 1,364
On January 31/21	1,684,284	x1,598	x 926
" February 28/21	1,686,808	x1,763	- 508
" March 31/21	1,689,098	x1,972	- 180
" April 30/21	1,690,801	x1,477	- 31
" May 31/21	1,692,327	x 790	- 517
" June 30/21	1,692,600	x 831	- 92
" July 31/21	1,693,399	x1,540	- 210
" Aug. 31/21	1,695,009	x1,830	x 1,069
" Sept. 30/21	1,697,988		

On December 31, 1921, approximately, 1,700,000.

(Add)

(105) Sanitation

Dr. Angel A. Alsina, who presided at the third conference of the national anti-tuberculosis prophylactic league, together with Drs. M.M. Sempé and Diego M. Arguello, who acted as secretaries, have just addressed a communication on the subject to the governor of the province.

Dr. Alsina proposes that a new section should be formed in the public health department, to be called anti-tuberculosis prophylactics, and that three dispensaries should be established, one in La Plata, one in Avellaneda and the other in Bahia Blanca. The duties of the new section would include:

- 1.- Statistics of tuberculous illness, and deaths from tuberculosis throughout the province.
- 2.- Anti-tuberculosis propaganda and education by means of leaflets, cinematograph films, posters, etc.
- 3.- Advise and encourage provincial municipalities in forming anti-tuberculosis prophylactics.
- 4.- Prepare and draft laws dealing with tuberculosis prophylactics.
- 5.- See that the laws already existing such as that making it obligatory on a consumptive to declare his illness to the authorities, etc. are duly complied with.
- 6.- Assume direction of the establishments destined for tuberculosis patients.
- 7.- Act as advisory board to the Executive Power, through the medium of the Board of Health, on all matters relating to tuberculosis prophylactics.
- 8.- Ensure the co-operation of all private or subventioned institutions throughout the province in combating tuberculosis.
9. Make a yearly report to Board of Health, setting forth the

the work done and results secured.

The dispensaries would be given charge of the registers containing details of all tuberculous cases in their respective districts. They would also act as advisers to the patients and to their families, supplying spittoons and disinfectants, and seeing that the laws relative to disinfection of clothes, furniture, etc. are duly complied with; also supply free of charge of all medicines, tonics, injections and nourishment that the poor patient could not obtain for himself.

The cost of the new section, and the upkeep of the three dispensaries would not be very heavy, and Dr. Alsina calculates that the staff and rents for the entire project should not exceed \$8,500 per month.

(Add)

The Ministry of Foreign Affairs and Worship recently sent a Circular to all the other Ministries suggesting the organization of a Mutual Aid Society with the following object:

a) To favor the diagnosis of tuberculosis in its first period, when a radical cure is feasible; for this purpose dispensaries will be created in the city and provinces, for the care of employees of the Government.

b) To assist in the proper care of the patient, which can only be well done in a sanatorium.

c) To furnish doctor, medicines, passage, board, lodging, hospital care etc. in favorable climates for convalescence; giving a monthly subsidy of 150 to 200 pesos to the patient when he receives no salary.

d) The Mutual Aid Society will undertake the cure of patients, and providing for all their needs, in exchange for obedience to all decisions of the authorities.

The Society can easily accumulate enormous resources.

When the patient is cured it will be arranged that he get back his post. Should the patient die the Society will pay for burial.

It is thought that an organization of this nature applied in all the public offices especially in those having numerous personnel such as the State Railways, Police Department, Customs Bank of the Nation, War Arsenal, etc., will do much to prevent abject misery and bring about radical cures.

(Add)

The Argentine Patriotic League has started a campaign to implant obligatory physical exercises in the schools of the Republic.

This campaign is inspired in the fact that the percentage of those excepted from military service due to physical disabilities has increased considerably during recent years.

It has been suggested by the League that the example of the United States be followed in putting up parks for physical exercises, making them attractive places for children so that their physical culture may help to combat evils leading to the degeneration of the race.

(131) Improvements

The President of the National Department of Work has taken a thousand of the many cases submitted to the Department of rent payers who desired to take advantage of the provisions of Law 11.157 (whereby rent was not to be high-

higher than that paid in January 1920 for two years hence) for investigation. The purpose of the investigation was to ascertain the state of affairs inasmuch as the working classes are concerned.

It was found that of the 1,000 cases taken---from the month of January 1920 to October 1921, payment of rents consumed 40.2% of the wages earned, obliging 3.6 persons to live in one room.

The table given below shows rent paid for one room; amount paid in January 1920, last rent paid and proportional increase.

Scale of Rents	No. cases examined	Paid in Jan. 1920	Last Rent Paid	Proportion of Increase
From 10	11	98	192	95.8%
" 11 to 20	137	2,393	3,756	56.8%
" 21 " 30	303	7,508	10,559	40.6%
" 31 " 40	106	3,378	4,564	32.1%
" 41 " 50	35	1,369	2,098	53.2%
" 51 " 60	17	783	1,074	37.1%
" 61 " 70	7	364	510	40.1%
" 71 " 80	2	90	147	63.3%
" 81 " 90	2	120	175	45.0%
" 120 " 150	2	195	270	38.4%
	622	16,298	23,345	43.2

The following table shows the relation between total earnings and amount paid for rent:

No. rooms	Cases examined	Total earnings	Rent Paid	Pro- portion- al %
1 room	470	66,044	17,092	25.9
2 rooms	46	7,693	3,391	44.0
3 "	10	1,827	1,139	62.0
4 "	1	120	100	83.3
1 house	146	28,873	20,032	69.3
1 Dept.	60	14,279	6,626	42.2
	733	118,836	47,780	40.2

According to official figures the rebate in rents, in general is something over 40% since the Rents Law was passed.

(Add)

(66) Railways

It is planned by the Administrator of the State Railways to build a new branch line connecting San Antonio on the Atlantic coast with Lake Nahuel Huapi in the territory of Neuquen.

The new line will have a length of 180 kilometers. The material to be used on this line has already arrived in Bahia Blanca on a Navy transport, and work on the line will be commenced in January 1933.

All the material to be utilised is being imported from Germany. Six hundred workmen are to be employed and will be sent to San Antonio in a Navy transport. The line will be a narrow gauge one, and will cross the rich territory of the Rio Negro.

(Add)

Under date of October 13, 1931, Law 11174 was passed approving the fusion of the Administrations of the Argentine Transandine and the Chilean Transandine Railroad Lines.

(Add)

Work has been commenced on the new branch line of the State Railways from the city of Catamarca to that of Tucuman.

The new line will have an extension of from 100 to 150 kilometers, and will complete the network of lines planned for that region. About 1,000 workmen are being employed on the construction.

(Add)

Railroad materials recently purchased by the State Railways from the Commercial Industrial and Mercantile Thyssen Co. Ltd. (German) are as follows:

For the construction of Decauville lines:

300,000 rails
300,000 pairs of fish plates
6,600,000 railway nails.
640,000 iron pins with washers

The cost of this material was \$4,376,874.03 Argentine paper and will be sufficient for the construction of 1,000 kilometers of lines.

The State lines have also contracted to purchase from the Société Metallurgique de Sambre et Moselle de Montigny sur Sambre (Belgium):

1,100,000 meters of rails
113,300 pairs of fish plates
693,000 washers and screws
3,630,000 railway nails.

(Add)

The following figures were published by the Ministry of Public Works regarding the working of the privately owned railway lines in 1931:

Extension of lines 29,150 kilometers.
Cargo traffic 32,054,009 tons
Passenger traffic 65,434,836 persons.
Capital invested 1,376,843,316 Argentine gold.

Exploitation expenses:

Production.....	\$193,309,154	Argentine gold
Expenses.....	153,493,030	" "
Profits.....	29,816,134	" "

FOR OFFICIAL USE

2655- L-57

3-1

JUL 8

SUBJECT-----ECONOMIC ITEMS-----ARGENTINA-----C-2 REPORT-----

From--ARGENTINA-----ECONOMIC-----

No. 2775 Date June 19 22

Replying to No. Date June 19 22

(Add)

(91) Debits

It is reported that the National Government, the Provincial Government of Buenos Aires, and the Municipality of the Federal Capital are contemplating the negotiation in the near future of foreign loans.

The National Government will probably endeavor to obtain a loan of from \$100,000,000 to \$200,000,000 gold, but will not definitely accept proposals until Congressional sanction has been granted. Blair and Co. who underwrote the last issues of \$50,000,000 and \$27,000,000 have an option which expires early in June, 1922 on any additional loans, and it is believed that they have submitted proposals which are acceptable to the Argentine Government.

The Government of Buenos Aires Province requires a loan of at least \$57,000,000 paper pesos, and the Governor has already requested legislative authorization to emit bonds for \$17,000,000, paper pesos, for the completion of the La Plata-Meridiano Quinto Railroad. The remaining \$40,000,000 is the amount of previous administrative deficits.

The Municipality of the Capital is understood to be in the market for a loan of \$25,000,000 gold, but before anything can be done the approval of both the Municipal Council and the National Congress must be obtained.

(Add)

(60) Vegetable

(61) By-products.

Exports of wheat and wool up to May 9, 1922 totaled 1,882,725 tons and 218,875 bales, or roughly, double the exports for the corresponding period of last year. Of the latter commodity Germany is the chief buyer, having imported 117,000 bales between October 1st and April 30, 1922.

(Add)

(68) Railways

The situation of the Argentine Railways is regarded as exceedingly critical. The technical committee, which was commissioned by the Minister of Public Works to study the proposed increases of tariffs, has not yet rendered its report. In the meantime the railroads are operating for the most part at a deficit, and relief does not yet seem to be in sight.

The Entre Rios and Argentine North Eastern Railway Companies have informed the Ministry of Public Works that, in view of the failure of the latter to grant them the special consideration requested in the matter of rate increases, their only alternative is the reduction of the salaries of their respective employees, to take effect from July 1st next.

The gross receipts of seven important railroads from July 1, 1921 to May 10 of this year, show the following decreases in comparison with a similar period from 1920 to 1921:

Great Southern.....	242,000	pounds sterling
Central Argentine.....	339,000	" "
Western.....	27,000	" "
Midland.....	7,200	" "
Entre Rios.....	185,000	" "
North Eastern.....	54,000	" "
Central Cordoba.....	147,200	" "

It is rumored that the Central Cordoba Railway is about to go into bankruptcy.

(Add)

(41) Mineral

Announcement is made of the formation in London of the Argentine Oilfields Co.Ltd. for the exploitation of Argentine petroleum. The Company is capitalized at 600,000 pounds sterling and Lord Amptill is chairman of the Board of Directors.

(Add)

(94) Connections

Mr.Seki Hoshino, President of the Tokio Confederation of Commercial Associations, is visiting the Argentine Republic with a view to reporting to Japanese business men on the opportunities existing for the extension of their markets in this country. He was received by the Minister for Foreign Affairs on May 13,1922.

The Argentine Foreign Office has been informed that a Czechoslovak Commercial and Industrial Mission will arrive in Buenos Aires in the near future to study means for intensifying the interchange of commodities between the two countries.

(Add)

(78) Telegraph

(79) Telephone

Representatives of the International Telephone and Telegraph Company, which owns and operates telephone systems in Cuba and Puerto Rico, have recently visited Buenos Aires and are studying the possibilities of entering the South American field, by the purchases of existing lines and the construction of new systems in free and unoccupied territory. Another representative of the same Company is now in Montevideo, Uruguay and is expected in Buenos Aires shortly.

The plans for Argentina include the purchase of the local

Union Telefónica (British) to be used as a basis for new local and long distance lines covering the interior of Argentina with the idea of connecting with Montevideo, and eventually with the Paraguayan system, contract for the construction of which is held by the Western Electric Company.

The International Telephone and Telegraph Company is an American organization and is affiliated with the Bell interests.

The field in Argentina, Uruguay and Paraguay presents unlimited opportunity for expansion and development in years to come. Aside from the Union Telefónica, there is another company operating in Buenos Aires, but it is unimportant. In the interior of Argentina there are about seventy small independent companies operating with antiquated plant and equipment, which could easily be obtained and made a part of the new system.

It is one of the most important projects ever undertaken by American capital in South America, inasmuch as the same plan is under consideration for the other Republics as well, with the idea of obtaining a network of lines under American control covering all of the more important countries south of the Caribbean, as well as Mexico. Lines are already in operation in Cuba and Puerto Rico.

Overtures for the purchase of the local British Company are being made to the Directorate in London, this being the key to the whole situation in the River Plate countries.

Entirely aside from the importance of the project financially and the advantages of the extensive use of American telephone equipment in South America, there is no other avenue of investment which is so important in its bearing on the United States future commercial and political relations with Latin America.

As it might be detrimental to their plans if the activities of the Company became known at this time, the above information is to be treated as confidential.

(Add)

(68) Railways

The State Railways signed a contract on May 11, 1923 with a representative of the Baldwin Locomotive Works for the purchase of 25 Mikado type narrow gauge locomotives, at a total cost of \$401,000 U.S. Cy., and about \$70,000 in spare parts. Shipment is to be made within forty days, and payment will be made in Treasury notes at 180 days, renewable five times with interest at 6% per annum. The locomotives are to be numbered 1 to 25 and will be used in preliminary construction work, and later in regular service.

The State Railways are also negotiating the purchase of eighty cars from the Middleton Car Company of Pittsburg.

The Baldwin Locomotives recently delivered for use on the northern lines have given excellent results, and the local representatives have been asked to submit bids on ten additional mountain type or Santa Fé locomotives.

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ONLY

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JUL 10

3-1

SUBJECT ECONOMIC NOTES-----ARGENTINA-----G-2 REPORT-----

From--ARGENTINA-----ECONOMIC-----

No 2792-----Date-----June 23-----, 19 22

Replying to No.-----Date-----, 19

(Add) (42) Vegetable

It is estimated that the exportable surplus of the 1922 Argentine wheat crop will be about 890,000 tons; that of linseed being estimated at 320,000 tons.

(Add) (91) Debits

Authorization was granted recently for the emission of an additional 50,000,000 pesos of Argentine mortgage bonds. This will be the thirteenth series, bringing the total issue of mortgage bonds to 829,735,725 pesos.

(Add) (87) Circulation
(88) Reserve

Argentine gold stocks have diminished 9,500,000 pesos during the last year and four months. The smallest reduction of gold on hand is shown by the Bank of the Nation, which has paid out only 115,000 pesos gold, and it is, therefore, the private banks whose supply has thus been drawn on. The use of gold in the arts may account for the disappearance of some of the gold on hand in December, 1920, but by far the larger proportion has without doubt been exported illegally to the United States where until recently a considerable profit was to be realized upon transactions of this character.

(Add) (94) Connections

Passenger rates between the River Plate and European ports have been reduced an average of about 40% on all lines as a result of the withdrawal of the British steamship companies from the Brussels Passenger Agreement.

(Add) (54) Labor

According to the recently published report of the National Department of Labor, during the year 1921, 86 strikes took place in Buenos Aires affecting a total of 139,751 laborers. This figure shows 120 strikes less than in 1920, but an increase of 5,736 strikers.

Causes of strikes were wages, timetables, organization, working conditions and sundry minor reasons.

Binding Margin.

(Add)

(65) Sugar

An item appearing in "La Razón" on May 15, 1922, stated that sugar produced in Argentina permits an annual consumption of 22 kilos of sugar per inhabitant, making the importation of 30,000 tons per annum necessary.

(Add)

(68) Railways

On July 7, 1922 the official inauguration of the railroad construction work from Embarcación (Province of Salta, Argentina) to Yacuiba, Bolivia, will take place. Construction has already been made of 26 kilometers of line from Embarcación. This line will open up rich districts of Bolivia and Argentina.

(Add)

(27) Radio

(80) Type

(81) Power

(82) Radius

On April 13, 1922 the Havas Agency in Argentina opened up a wireless service direct between Europe and Buenos Aires. The receiving office has been installed by the Compagnie Générale Française de Télégraphie sans Fil in Saavedra, a suburb of Buenos Aires. The distance bridged is 12,000 kilometers and length of transmission is four or five minutes from the time the dispatch is delivered to the office.

(Add-)

(79) Telephones

Nearly all the municipalities of the province of Buenos Aires are connected with the capital by telephone lines. These lines are exploited by 21 companies.

100,014,015 meters of line have been put up with 267 stations. These lines are attended by 694 men and 711 women.

The capital invested reached \$12,840,680 pesos m/n and the number of subscribers is 28,258.

(Add)

(49) Electrical

86 electric light and power plants serve an equal number of towns and villages in the province of Buenos Aires.

For the production of the power 212 motors are used having 48,825 H.P. steam. The number of generators is 341.

These power plants provide electricity necessary for 19,809 public lighting lamps and 991,769 private ones.

The capital invested in this industry amounts to \$37,907,575 pesos m/n.

(Add)

(89) Credits

(90) Revenue

(91) Debits

The municipalities in the province of Buenos Aires had during the year 1921 \$23,359,233 in revenue. Revenue was derived principally from taxes on light, cleaning of streets, water, patents in general, taxes on markets, inspections, taxes on building, burials, weights and measures, etc.

The money was expended in payment of personnel, light and cleaning, charity, subventions, publications, public celebrations, police, Civil Registry, rentals, insurance, etc.

(98) Male
 (99) Female

The population of the province of Buenos Aires on December 31, 1921 was 2,418,600 inhabitants showing a density of 7.9 inhabitants per square kilometer. This is taking into account the total surface of the province which is 305,121 kilometers.

There are 40 towns and departments having over 20,000 inhabitants within their areas.

The towns and departments (partidos) with the greatest density of population are as follows:

	1503 inhabitants per sq.kilometer				
Avellaneda	702	"	"	"	"
Lomas de Zamora	608	"	"	"	"
San Martín	550.7	"	"	"	"
San Fernando	533.3	"	"	"	"
San Isidro	406.2	"	"	"	"
Vicente Lopez	208.1	"	"	"	"
Morón	165.8	"	"	"	"
Quilmes	130.6	"	"	"	"
La Plata	128.1	"	"	"	"
Almirante Brown	60.8	"	"	"	"
Matanza	44.6	"	"	"	"
Merlo	39.5	"	"	"	"
San Nicolás	31.1	"	"	"	"
Zárate	29.4	"	"	"	"
Moreno	29	"	"	"	"
Mercedes	28.2	"	"	"	"
Luján	27.4	"	"	"	"
General Pueyrredón	26.3	"	"	"	"
Florencio Varela	26	"	"	"	"
Pilar	23.6	"	"	"	"
Bahía Blanca	19.4	"	"	"	"
Chivilcoy	19.4	"	"	"	"
Junín	17.4	"	"	"	"
Pergamino	16.2	"	"	"	"
Campana	15.7	"	"	"	"
Las Conchas	14.9	"	"	"	"
Chacabuco	14.8	"	"	"	"
Esteban Echevarría	14.5	"	"	"	"
Exaltación de la Cruz	14	"	"	"	"
Bartolomé Mitre	13.6	"	"	"	"
Bragado	13	"	"	"	"
General Rodríguez	12.6	"	"	"	"
Alberti					

(Add) (100) Fluctuations

During the year 1921 31,583 males were born in ^{Bs. Aires} province and 30,344 females---the foregoing being of legitimate birth. Illegitimate births were 6,194 males and 5,831 females.

Marriages contracted reached 15,031.

Deaths were 28,898 without counting 2000 still-births.

(Add) (69) Tramlines

For urban passenger service there are 25 tramlines in the province of Buenos Aires. The extension of their lines is 355 kilometers and the number of cars 400. With these 49,191,235 passengers were transported during the year 1921. Capital invested reaches \$22,266,813 m/n.

The towns having tramlines are the following: La Plata, Almirante Brown, Avellaneda, Bahía Blanca, Dolores, General San Martín, General Pueyrredón, Lomas de Zamora, Luján, Morón, Necochea, Quilmes, San Isidro, San Nicolás and San Vicente.

(Add)

(106) Disease

The campaign against tuberculosis has recently been renewed with more energy by the "Asistencia Pública" and the Sanitary Administration Department.

It has been decided to put up a profusion of posters throughout the Municipality, in public places and on the streets, and also to advise all those affected to address themselves to the municipal dispensaries and to the Tornú Hospital, which specialises in this disease.

A project has also been presented to the Municipality by a Councillor regarding the establishment of an institution exclusively for the treatment of tuberculosis, to be called the "Helios Institute".

In the report of the Director of the Tornú Hospital for 1921, it was pointed out that vast and uniform legislation on the subject was an urgent necessity, and the various and conflicting efforts of different institutes in the country to combat this ever-spreading evil are ineffectual. The Tornú Hospital itself is quite unable to cope with the number of affected patients who present themselves spontaneously. Last year the Executive Power presented a bill to Congress on Anti-tuberculous profilaxis, which was studied by that body, but so far no action has been taken.

The "Asistencia Pública" has also presented a project to the Municipality to combat the spreading and help in the treatment of syphilis. This project has already been approved by the Municipality.

The project is founded on a new concept of this disease, and it is desired to eliminate prejudices heretofore maintained on the subject and do everything possible to instruct and warn the population against its dangers.

The principal part of this plan reads as follows:

"The 'Asistencia Pública' shall organize in its hospitals and dispensaries consulting rooms gratis for the exclusive and ample attendance of these diseases, without restrictions. These services must have the necessary equipment to make medical care efficient, rapid and without stinting.

All the patients suffering from syphilis and similar diseases who present themselves to these consulting rooms shall have the right to be attended to without further requirements than to obey the orders of the doctor attending them."

Besides the above it is planned to put up posters and have a regular propaganda pamphlet. Lectures will be given in the higher classes of the normal schools and in the Faculties of the National University also at the Laborers' Union, and wherever else these lectures and talks will do most good.

(Add)

(37) Efficiency

(112) Morale

The Asociación del Trabajo (Labor Employers' Union) inaugurated a Workmen's Dwelling House on June 10, 1922. This House is the first of its nature which the Association has been able to carry out, and is the first step in a plan which it has drawn up to improve the physical, economic and intellectual surroundings of the workmen.

The Dwelling House has large dormitories, dining hall, baths, infirmary, library and facilities for games and gymnastics.

(Add)

(23) Land

According to the official figures covering December 31, 1921, there were 13,764 motor propelled vehicles registered in the City of Buenos Aires, as follows:

Private Cars.....	5,880
Taxi-cars.....	6,230
Commercial.....	1,379
Trial Licenses.....	173
Free List (including Official cars).....	102
Grand total.....	13,764

A detailed analysis of these figures shows the following
MAKES OF AUTOMOBILES REGISTERED IN BUENOS AIRES on the date
just above mentioned, these makes being given below in the
alphabetical order:

Adler	30	Bevy.....	2
Albion.....	11	Cottin.....	17
Allen.....	47	Clement.....	168
Anasagasti....	49	Columbia.....	5
Ansaldo.....	1	Cadillac.....	263
Argyll.....	9	Citroen.....	12
Austin.....	8	Cleveland.....	8
Apperson.....	13	Chandler.....	34
Alfa.....	3	Charron.....	78
Auburn.....	2	Chevrolet.....	179
Anderson.....	2	Chalmers.....	13
Alco.....	1	Crow-Elkhart....	1
Armstrong-S....	6	Clyde.....	1
Autocar.....	2	Case.....	28
Aquila.....	4	Cotteran.....	2
Alldays.....	1	Cien.....	5
All America....	2	Cole.....	16
Apollo.....	4	Cid.....	2
Aster.....	1	Ceirone.....	2
Aries.....	2	Crossley.....	1
Adams	1	Clayette.....	4
Argo.....	1	Calthorpe.....	2
B.S.A.....	3	Commercar.....	1
Belsize.....	4	Commercial.....	5
Bigoran Short..	2	Crediahor.....	1
Bianchi.....	29	Cyklon.....	1
Buick.....	262	Chenard.....	26
Baby.....	3	Diatto.....	65
Brasier.....	55	Darracq.....	9
Barré.....	13	Dort.....	48
Benz.....	120	De Dion.....	141
Berliet.....	58	Delage.....	38
Briscoe.....	12	Delahaye.....	129
Barrett.....	3	Destriche.....	76
Bellanger.....	2	Delauney.....	130
Brescia.....	1	Dodge.....	310
Baker.....	1	Dux.....	1
Bethlehem.....	3	D.F.P.....	1
Beccaria.....	1	Daimler.....	129
Bergmann.....	2	Dixi.....	4
Brenabor.....	15	Durkopp.....	16
Bergamo.....	1	Davis.....	1
Ballot.....	8	Droix.....	1
Bedford.....	1	Diamond.....	1
Briton.....	1	Daniels.....	1
Brockway.....	4	De Vecchi.....	2
Berna.....	3	Dennis.....	3
Brush.....	1	Dormann.....	10

España.....	1
Elgin Six.....	20
Essex.....	62
E.M.F.....	1
Elizalde.....	2
Empire.....	1
Enard.....	1
Ford.....	4751
Fiat.....	378
F.H.....	60
Franklin.....	8
Flirt.....	1
Florentino.....	1
Flecher.....	1
Fafnir.....	4
Florio.....	1
F.W.D.....	1
Gregoire.....	18
Grant Six.....	6
Gobron.....	3
Gaggenou.....	1
Gotteraut.....	1
Garford.....	2
Georges Roy.....	4
Glouit.....	1
G.M.C.....	1
Humber.....	26
Hotchkiss.....	33
Hudson.....	189
Hispano.....	106
Hupmobile.....	112
Horch.....	1
Hopkins.....	1
Hansa.....	8
Heros.....	1
Hal.....	1
Hallford.....	2
Haynes.....	5
Halley.....	2
Hurlburt.....	1
Isotta.....	74
Italia.....	55
Imperia.....	51
Interstate.....	1
Iris.....	1
International..	4
Ivry.....	1
Jeffery.....	4
Jackson.....	3
Jordan.....	7
King.....	12
Kreigler.....	1
Keeston.....	2
Kelly.....	2
Kissel.....	2
Lexington.....	10
Lancia.....	88
Leon-Bollée.....	39
Le Roi.....	6
Liberty.....	14
Le Buire.....	1
Lloyd.....	50
Lanchester.....	3
Lozier.....	2
L.P.....	1
Locomobile.....	4
Leach.....	1

La Licorne.....	16
Leyland.....	10
Moon.....	11
Mercedes.....	103
Mors.....	163
Mercier.....	4
Minerva.....	26
Motobloc.....	10
Mobilette.....	3
Monroe.....	1
Martini.....	15
Metz.....	6
Maxwell.....	61
Marathon.....	1
Metallurgique.....	6
Morris-Oxford.....	1
Milburn.....	1
Mitchell.....	5
Marmion.....	8
Marion-Handley.....	1
Macfarland.....	1
Murray.....	7
Mathis.....	6
Mack.....	2
Mulay.....	2
Menderet.....	1
N.A.C.....	59
Nash.....	61
Nagant.....	15
Napier.....	36
Nazzaro.....	3
Nekar.....	7
National.....	12
N.S.U.....	1
Oldsmobile.....	35
Opel.....	34
Onyx.....	1
Overland.....	243
Oakland.....	21
Owen.....	2
Orwell.....	1
Olimpia.....	1
Paige.....	59
Pierron.....	3
Panomis.....	1
Pio-Pio.....	27
Panhard.....	356
Packard.....	127
Protos.....	61
Peugeot.....	142
Premier.....	6
Pifre.....	2
Peerless.....	27
Pierce-Arrow.....	28
Phianora.....	1
Priamos.....	4
Pullman.....	1
Puck.....	1
Renault.....	1583
Rolland.....	12
Rochet.....	38
Regal.....	3
Rover.....	8
Rolls Royce.....	24
Ruby.....	2
Roamer.....	5
Rambler.....	2

Reo..... 11
 Russell..... 20
 Richard..... 3
 Republic..... 31
 Reid..... 1
 Renier..... 5
 Rudley..... 2
 Ripa..... 1
 Studebaker..... 504
 Scripps..... 28
 Seneca..... 3
 Stoewer..... 80
 Saxon..... 2
 Soat..... 15
 Spa..... 52
 Springuel..... 30
 Sacchi..... 3
 Stoddard..... 1
 Sizaire..... 14
 Star..... 7
 Swift..... 2
 Stanley..... 3
 Spyker..... 1
 Sayera..... 1
 Standard..... 1
 Stephens..... 3
 Sunbeam..... 9
 Sava..... 33
 Scout..... 1
 Simplex..... 4
 Stutz..... 1
 San Giorgio..... 1
 Singer..... 2
 Sperber..... 1
 Signa..... 1
 Straker..... 5
 Sidia..... 1
 Service..... 12
 Sauerer..... 3
 Stewart..... 5
 Turin..... 2
 Templar..... 4
 Triunfo..... 5
 Thornycroft..... 2
 Turicum..... 16
 Tribu..... 2
 Turcat..... 1
 Tam..... 2
 Torinolo..... 1
 Talbot..... 2
 Teseira..... 1
 Unio..... 47
 U.S.A..... 10

Vermorel..... 10
 Vulcan..... 1
 Vauxhall..... 11
 Vinot..... 84
 Voenag..... 1
 Vim..... 2
 Vantour..... 1
 Voisin..... 1
 Wanderer..... 6
 Willys-Knight..... 19
 Feeds..... 1
 White..... 30
 Windhoff..... 3
 Wolseley..... 7
 Winton Six..... 1
 Wichita..... 3
 Ward..... 2
 Warwick..... 1
 Zebra..... 1
 Zedal..... 1
 Zuat..... 3

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Binding Margin.

SUBJECT OIL IN ARGENTINA SERVICE REPORT

From ARGENTINA ECONOMIC

No. 2798 Date June 23, 1922

Replying to No. Date 19

The following are extracts from a series of articles appearing in "La Prensa" from April 27 to June 11, 1922 concerning the Government oil fields and their maladministration.

"La Prensa" April 27, 1922.

"It has been insistently rumored that the Chief of the Government oil exploitation at Comodoro Rivadavia, Captain Frank Borges, has asked to be relieved. The cause is attributed to the instructions received to keep the petroleum production within certain limits---that is to say not to permit production of all the oil at present available.

"It has already been demonstrated by figures that the Comodoro Rivadavia wells do not produce even half the oil consumed by our industries, and also contradictions were pointed out, which had been incurred by the Executive Power in the report of 1920.

"Now we are in a position to affirm what the reasons are which prevent the Ministry of Agriculture from obtaining a market for its oil. This is due to the high price demanded, which prevents it being sold competitively with the oil imported from Mexico.

"It is natural that the cost of national petroleum, due to small scale of production, should be high, but expenses of administration and exploitation would be hardly different with a greatly increased production.

"Our correspondent in Comodoro Rivadavia has been able to prove that among the wells that have been perforated, and which are maintained closed by valves, there are some of the richest natural flowing wells in the fields.

"On one of these wells being opened in the presence of the correspondent there appeared to be no movement of the petroleum, but a sounding apparatus having been introduced, the petroleum rose 30 meters, and after a second sounding the oil flowed up touching the top of the tower; it struck the metal defences with such force and was carried by the wind, giving the impression of a chimney crowned with a dense cloud of black smoke.

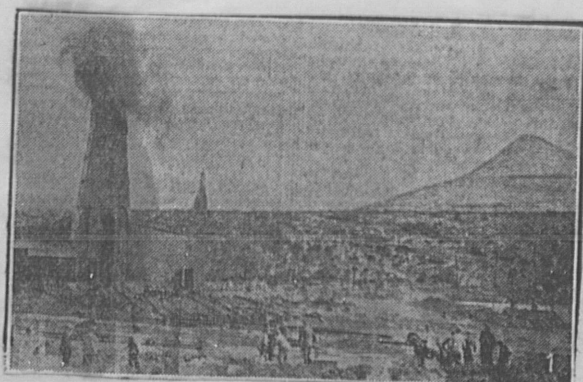
"The flow from this well was of such magnitude that in 24 minutes an Australian tank was filled having a capacity of 110 tons. Once this tank was filled, the petroleum was allowed to run into a ditch or kind of natural deposit. Approximately a thousand tons of oil emerged from this well in 6 hours.

"Like the foregoing there are several wells in Comodoro Rivadavia, and it is quite inexplicable why this wealth is not used to the best advantage. There is a market for it, there are a sufficient number of transports and other elements. Apparently the high price is the only obstacle to its disposal, and furthermore that manufacturers cannot be sure whether they can obtain the amount required in their respective

NO OBJECTION TO PUBLICATION
IN SERVICE JOURNALS.

industries. The proximity of the oil fields to the port of export (the fields are right at the port) and the short distance from Buenos Aires (90 hours' navigation) should be sufficient factors to guarantee the impossibility of competition by foreign petroleum.

Attached hereto are various photographs demonstrative of the statements made above".



Flow of petroleum rising with such strength that it flows outside plates on rushing against them.



Petroleum flowing laterally from the piping.



The oil is carried via the ditch to the Australian tank.



Flow of petroleum directed into a deep ditch due to lack of tanks or pumping facilities.

From "La Prensa" May 13, 1922.

Frequently it is noted that proposals are made to the National authorities for the sale of tank-ships. It has already been demonstrated amply and affirmed frequently that the number of petroleum transports is sufficient, but their organization is deficient.

At present the Ministry of Agriculture possesses four tank-ships: "12 de Octubre", "A. del Valle", "Ingeniero Huergo" and "Santa Cruz" which vessels possess the following transportation capacities:

NAME OF SHIP	CARGO IN METERS ³	TIME EMPLOYED				CONSUMPTION OF OIL ON ROUND TRIP
		On Round Trip	For Loading	For Unloading	Total on trip loading & unloading	
12 de Octubre:	9,500	: 9.5 d.:	19 hr.:	32 hr.:	:11 dya.15 hr.:	300 tons
A. del Valle :	4,700	:10 "	" 9 "	: 16 "	:11 " 1 "	: 230
Ing. Huergo :	5,300	: 9.5 "	:10.5 "	:17.5 "	:10 " 16 "	: 220
Santa Cruz :	5,900	: 9.5 "	:12 "	: 19 "	:10 " 19 "	: 235
<hr/>						
Total per trip.....	25,400	: in a general average of 11 days				: 985

From the above table it is deducted that giving each ship 60 days rest a year for repairing and cleaning, and admitting that each ship loses 40 days in the year due to bad weather or other causes, it is seen that each one could make 24 trips per year, transporting a general total of 609,600 cubic meters of oil. To this sum should be added 23,600 tons of oil consumed in navigation and port services. Hence the grand total ascends to 633,240 cubic meters per year.

Yet the total production during the past year was 377,807 cubic meters.

It must also be taken into account that the Ministry of Agriculture has the "Min. Ezourra" tank-ship which has a transportation capacity of 60,000 tons per annum.

It is therefore advisable that the authorities organize to get an issue of tenders for modern tank-ships to be delivered in about two years time when the oil production in Comodoro Rivadavia will probably be three times what it now is."

From "La Prensa" May 30, 1922.

"By a decree dated August 28, 1920 the Ministry of Agriculture was authorized to expend \$1,790,000 pesos in the construction of a port at Comodoro Rivadavia. Part of the expense is to be met by the sale of petroleum.

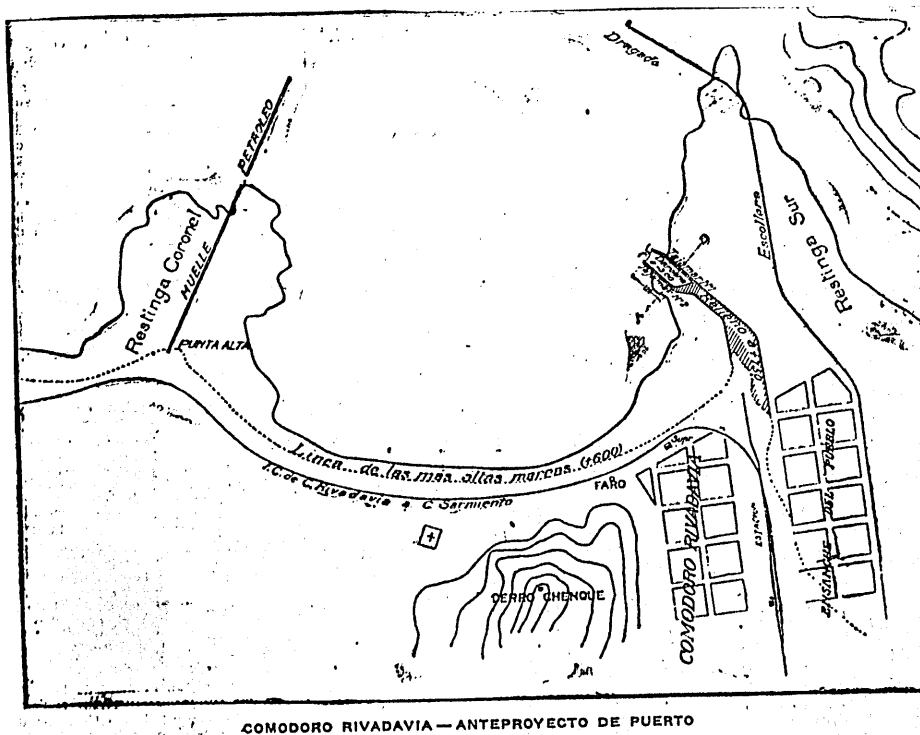
The basis for this decree was an ante-project consisting in the construction of a viaduct of access having 720 meters length by 7.50 width, and a breakwater mole of 100 meters length by 12 wide, with a sea gauge at the foot in low tide.

These port works would permit the coming alongside of lighters and towing vessels on the inner side no matter what the tide.

All the machinery and tools needed in the construction have already been purchased, and their delivery is expected shortly, therefore it will not be long before work is commenced.

These port works will be the object of considerable expansion in years to come, and it is believed that it will be necessary to expend about \$8,000,000 to make Comodoro Rivadavia a great sea port.

There follows herewith a rough sketch of the ante-project for the port works.



From "La Prensa" June 5, 1922.

"When it was announced that the new Minister of Agriculture Dr. Vargas Gómez would resign his portfolio if steps were not taken to correct past irregularities in the administration of the Government oil-fields, and place their organization on a proper working basis, the attitude of the new Minister was commented on most favorably and great expectations were built on the outcome.

However a complete disillusion has awaited the optimists. The supposedly irregular actions of the past administration have been approved with the signature of the Minister himself, and instead of a complete reorganization having been made, the Government oil-fields have been renamed, and Plaza Huincul and C. Rivadavia placed under the "Dirección General de Yacimientos Petrolíferos". (General Direction of Petroleum Fields).

A lengthy Ministerial decree was published on June 3rd dealing with the future administration of the oil fields, and approving without examination the past expenditures, accounts and other administrative acts to date.

Regarding reform of method of administration the Ministerial decree in effect makes no changes, simply changes its facade. Within the house is exactly the same----a unipersonal administration directly dependent on the Minister.

Undoubtedly what is most necessary is to organize the oil-fields independently from the Minister in an entirely commercial manner under a Board of Directors. What has been done makes absolutely no difference and the oil-fields are administered just as inefficiently as heretofore."

From "La Prensa" June 21, 1922.

"A further study of that curious document, the Ministerial Decree of June 3rd, regulating everything to do with the administration of the Government oil-fields and the sale of petroleum, it is noted that the Minister limits the amount of petroleum which can be sold without his special signature and authorization to one ton per person weekly, without contract. All other sales must be preceded by a contract approved by the Minister or with his authorization.

Thus, a minister-oil-salesman, will but mean a further obstacle to the sale, for, the public will only be able to buy when the Minister is willing to sell and in his office ready to do so.

By this action, in the future, the Minister will be the immediate and only person responsible for all irregularities, instead of continuing to exercise control and directing the commercial policy of the Government oil business."

There is also attached hereto in triplicate a article published in the Buenos Aires Herald on June 18, 1922 regarding Petroleum and the National Oil Administration.

1 incl. newspaper clipping, (in triplicate)

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CONFIDENTIAL

2655-2-54

SUBJECT ECONOMIC ITEMS-----ARGENTINA-----G-2 REPORT-----

From-----ARGENTINA-----ECONOMIC-----

No. 2812-----Date-----July 19-----, 19 22

Replying to No.-----Date-----RECEIVED 6/2 W.D. AUG 1 1922-----19

(Add)

(43) Animal

It is reported that when Congress reassembles, several Deputies will present a proposal for a two year moratorium for debts contracted under Agrarian Laws and personal obligations of cattle raisers.

(Add)

(43) Vegetable

(43) Animal

Products		1922	1921
Wheat,	tons	2,200,255	1,115,691
Corn	"	764,404	651,710
Linseed	"	355,080	511,945
Oats	"	186,017	174,255
Barley	"	11,329	24,733
Flour	"	51,813	14,070
Bran and Middlings	"	70,598	55,591
Quebracho Logs	"	47,495	3,552
" extract, tons		55,250	38,153
Butter, boxes		378,793	473,194
Hay, bales		67,898	90,159
Steer Hides		277,238	25,526
Dried Cow Hides		1,146,805	199,629
Salted Cow Hides		1,359,011	671,001
Horse Hides		67,876	12,190
Sheep Skins, Bales		33,870	4,626
Goat Skins, "		1,913	317
Wool,		255,241	127,605
Bristles, "		2,887	1,064
Tallow, pipes		217	130
" oaks		65,350	42,556
Beef carcasses, frozen		757,251	1,824,460
" " chilled		1,320,502	616,299
Sheep " frozen		958,854	1,386,127
Lamb " "		958,854	1,386,127

The lessened foreign demand for Argentine products, which recurs annually in June and July, has now begun to make itself felt in the general commercial situation through the decreased exports of all commodities with the exception of pork and hides, fairly large quantities of which are still being shipped out of the country.

(Add)

(90) Revenue

Customs receipts collected since January 1, 1922 are \$95,003,968.00 m/n which is \$1,387,395.24 m/n less than was collected for the same period last year.

(Add)

(88) Credits

Figures given below show the total transactions on the Argentine Stock Exchange for the first five months of the current year and indicate a greatly increased activity in comparison with the similar period of the year 1921:

	<u>1922</u>	<u>1921</u>
Mortgage Cédulas	201,137,635	107,073,700
Public securities in paper pesos	39,151,890	43,941,120
Public Securities in gold pesos	13,107,100	32,703,250
Other Securities in paper pesos	637,530	1,081,741
Other securities in gold pesos	132,708	56,818

(Add)

(80) Power
(81) Type

A bill for the establishment of radio stations in each of the National Territories, with an operating radius of 500 kilometers and the necessary intermediate stations for communication with the Federal Capital, has been placed on the calendar of the Chamber of Deputies.

(121) Improvements

Deputy Vergara has proposed a bill to modify the existing Pension Law No.11,110, by which it is proposed to establish a minimum pension of 100 pesos m/n with a maximum of 800 pesos m/n per month, according to the average wage earning capacity of pensioner during the five years of service during which he shall have collected the highest rate of pay.

On July 8th, a huge procession was organized by the employers and employees and laborers of private business houses and industrial concerns and factories, which after marching through the streets presented a petition to the President of the Republic and to the Chamber of Deputies requesting that a law be passed whereby they may be entitled to pensions also.

The employers enthusiastically supported the idea and were in the procession and formed part of the Committee which interviewed the president.

(87) Circulation

A decision of considerable importance was rendered at the beginning of the month of June by Judge Jantus, giving judgment on an appeal brought against the customs authorities by Captain William F. Douglass, of the S.S. BOSTON BRIDGE, who had been charged with the violation of the prohibition of the exportation of gold from Argentina, decreed by the Executive Power under Law No.9,483, declared that such prohibition was not in force on July 5, 1922, the date on which the gold in the possession of Captain Douglass was confiscated as the law

had lapsed with the termination of the European War.

The Ministry of Finance has adopted a rather extravagant attitude in the face of this decision, having advised the customs authorities that the prohibition of the exportation of gold is not affected by Judge Jantus' ruling, as many European countries are considered by the Argentine Republic to be still technically at war, as neither Great Britain, France, Austria, Russia nor Portugal has officially notified the Argentine Government of the termination of the state of hostilities.

Nevertheless it appears that unless this decision is reversed by the Supreme Court, there is now nothing to prevent the exportation of gold from Argentina. However, it is not thought that this will have any appreciable effect on the exchange situation, as all but some 35,000,000 pesos of the Argentine gold supply is at the Caja de Conversión, which continues to be closed, and of this amount less than 12,000,000 gold pesos are held by privately owned banks, the remainder being deposited in the Banco de la Nación.

(Add)

(91) Debits

The Governor of the Province of Buenos Aires in a message recently sent to the Legislature stated that the Province owes \$320,026,066.32 m/n, distributed as follows:

Foreign debt.....	\$280,302,205 m/n
Internal Debt.....	106,320,510 "
Paid in 1921 from resources available in 1922.....	3,403,351,32 m/n

(71) Ocean

With reference to the proposed establishment of a direct steamship line between Mexican and Argentine ports, it appears that the Argentine Government has accepted the Mexican proposal and will assign a vessel for that service, provided that adequate cargoes are obtainable.

The new Japanese Commercial Attaché, Mr. Ishii, has announced to the Argentine Ministry of Foreign Affairs that it is the intention of the Japanese Government to establish a direct steamship line between Japanese ports and the River Plate, by which it is proposed to reduce the time occupied in making the voyage between the two countries from seventy days to forty days.

3 - 1

2657-2-55

CONFIDENTIAL

SUBJECT ARGENTINE-GERMAN AGREEMENT FOR SUPPLY OF LIVESTOCK
AND MEAT TO GERMANY. SERVICE REPORT.

From ARGENTINA---ECONOMIC

No. 2813

Date July 10, 19 22.

Replying to No.

Date AUG 12 1922

The Argentine Minister at Berlin has sent to the Foreign Office the text of an ad referendum agreement made between the Argentine Commissioner, Sr. Daneri and a German syndicate for the supplying of live stock and meats to Germany. The following is a translation of the agreement, as printed in the BUENOS AIRES HERALD on June 14th:

"Through the intermediary of the Compañía Alemana-Argentina, Limited, Munich, with branch office in Dresden, the following agreement is made between the Argentine Government and Sauermann, a limited company in Kulmbach, representing a syndicate:

'1. The Argentine Government agrees to supply annually a minimum of 50,000 head of livestock and 60,000 tons of frigorífico meat, Continental type.

'2. On obtaining the agreement at the request of the syndicate, the Argentine Government agrees to embark the meat immediately.

'3. The meat will be loaded f.o.b. Buenos Aires, the freight and insurance to be paid by the syndicate which accepts the goods at a German port. The Argentine Government, on the request of the syndicate, to insure the meat for account of the syndicate.

'4. On making order, price to be fixed in pesos gold, although the syndicate will not pay in cash but in goods supplied directly by the intermediary company or through their intervention. The meat to be shipped as soon as the mutual agreement is made as to price of the meat and class of the goods required by the Argentine Government and their prices at the date of receipt of same.

' On the first sale of meat the Argentine Government will guarantee to the syndicate the exchange rate for pesos gold as against paper marks on the day in which the price is made, taking as a basis for this the quotation on that day made by the Banco de la Nación Argentina. The same rate of exchange will rule for goods required by the Argentine Government.

'5. The Argentine Government will extend to the syndicate a credit of four months for each shipment counting from the day of shipment. The syndicate will guarantee their credit with a deposit in one or several German banks of the highest order, elected by the syndicate, said banks being, for example, the Dresdener Bank, Berlin, or the Deutsche Bank, Berlin.

Binding Margin.

'6. On receipt of communication from the Argentine Legation in Germany to the effect that shipment has been made, the syndicate will deliver a cheque for the time limit fixed in Article 5 for the total value of the meat shipped. If arbitration establishes shortage of quality or quantity in the meat, the Argentine Government will deliver a cheque on the same date to cover the value corresponding to the deficiency.

'7. The agreement is to last two years and is to be prolonged for an equal period if notice to the contrary is not given within three months of the termination.

'8. In case of force majeure this agreement is suspended, but once the obstacles have disappeared it again enters into force.

'9. Any difficulties which arise will be decided by a mixed tribunal composed of Argentines and Germans, and in case of need a third arbitrator can be named. Should further difficulties arise over this latter, the Hamburg Bourse will name the person to act.

'10. The agreement is valid in both Spanish and German, when legalized by the respective authorities.

'11. The syndicate will commence work not more than two weeks after Argentina has accepted the terms."

The agreement has been scathingly criticized both on account of its substance and on account of the manner in which the negotiations were conducted. It is stated that Dr. Daneri had no authority to enter into an ad referendum contract on behalf of the Argentine Government, and that the results which he has obtained are indicative only of the Administration's desire to appease the wrath of the Argentine stock producers for whose relief much has been promised and nothing accomplished. It is even stated that the method of payment provided for by Art. VI of the agreement implies a violation of an Argentine law forbidding the payment of debts by postdated checks.

The Minister for Foreign Affairs nevertheless invited the managers of the various frigorificos to consult with him regarding their willingness and capacity to furnish the 80,000 tons of meat specified in the agreement, and it is understood that their reply was considered satisfactory.

As the Government wishes it clearly understood that it is not going into the meat business but that it is its intention to lend its support to the Argentine syndicate, the creation of which is provided for in the agreement, instructions have been sent to the Argentine representatives in Germany to explain this phase of the matter to the German company, and, if necessary, to modify the agreement so that there will be no doubt in this respect. The Argentine Government desires that the syndicate to be formed in this country be composed as far as possible of German firms situated here.

With regard to the practicability of the arrangement, it is to be observed that the syndicate to be formed here cannot count upon the financial support of the Argentine stock producers, owing to the straitened circumstances to which they have been brought by the prolonged period of depression which has nearly ruined many of them, and it is therefore apparent that the consortium, to be a success, will have to be financed directly by the Government. Moreover, as the producers will require

immediate cash payment for their animals, and cannot, therefore, afford to wait for the conversion into money of the goods to be furnished in payment by the German concern, the only practical means by which it would seem that the transactions could be carried on to the mutual benefit of both countries, would be for the Argentine Government to open a credit in favor of Germany in the Banco de la Nación for a determined amount which will be used to pay for the exports of meat and cattle to that country; and for the German Government to open a reciprocal credit in responsible institutions of that country for the payment of the products imported into Argentina.

2-1
CONFIDENTIAL

7655-2-56

SUBJECT ECONOMIC ITEMS-----ARGENTINA-----G-2 REPORT

From ARGENTINA-----ECONOMIC

No. 2834 Date August 3, 1922

Replying to No. Date AUG 20 1922

(Add)

(27) Radio

On June 26th the Minister of Mexico presented to the Argentine Foreign Minister a project for the establishment of direct radio communications between the two countries.

(Add)

(68) Railways

On June 25th the Argentine Government made known its long awaited decision with respect to the increases in tariffs solicited by the various railroad companies operating in Argentina. The decision, authorizes increases of from 10% to 35% for the transportation of certain classes of freight and passengers. Live stock, wool and farm products in general are affected very slightly by the increases authorized, but it is estimated that the income of the railroads will be augmented by about 10% and the Companies appear to be satisfied, for the time being at least, with the increases granted. The first effect of the action of the Argentine Government in this matter was to advance the prices of Argentine securities on the London market. It is thus evident that a favorable impression has been created in that quarter.

The State Railways have placed an order with the Mc Clintic-Marshall Company for the steel work of the railroad bridge over the Rio Negro, between the towns of Viedma and Patagones in the Territory of Rio Negro, which will connect the State Railway line to San Antonio and Lake Nahuel Huapi with the Southern Railways extension from Bahia Blanca.

The completion of this line will give direct communication from Buenos Aires to Lake Nahuel Huapi via Bahia Blanca. There remains to be built about 357 kilometers of road, 5'6" gauge, which is now under construction.

(27) Radio

The Municipality has granted to Señor Federico M. del Ponte, an Argentine engineer, a concession for the installation of wireless telephone transmitting stations for the broad-casting, free of charge of lectures, concerts and other matters of an educational and recreational nature. The Municipality reserves the right to grant similar concessions to other companies but the present concessionaire is to have the benefit of any and all terms of a more advantageous nature which may be conceded to future applicants.

(Add)

(41) Mineral

The Titan Petroleum Company, a corporation composed entirely of Chilian capital, has commenced drilling operations in the Comodoro Rivadavia oil fields.

(Replace)

(89) Credits

(90) Revenue

(91) Debits

"The Argentine Government has submitted to Congress the budget scheme for 1920" etc. by

The president's message to Congress at the inauguration of the regular legislative period on July 6th (over two months late) contained the following details with respect to Government finances during 1921:

Estimated Revenue

In Cash.....	\$472,770,662
In Bonds (\$60,000,000).....	55,436,600
	<u>\$528,207,262</u>
Expenditure authorized by the Budget.....	<u>\$512,910,075</u>

Actual Revenue

In Cash (Budget).....	\$435,880,683
Extraordinary:	
Proceeds of \$39,994,236 in bonds of previously authorized issues.....	30,455,847
Part of the net proceeds of the fifty million dollar U.S. loan	<u>29,505,257</u>
	495,841,787

The issue of bonds to the extent of \$60,000,000 which was intended to meet expenditure on public works has not so far been made.

Expenditure incurred:

Budget.....	\$468,927,000
Special Loans.....	7,096,000
Cabinet authorizations.....	56,483,000
Transfers from previous years...	13,794,000
Loss on remittances.....	4,400,000
Finance for public health works.	<u>8,250,000</u>
	\$558,950,000

The difference between the estimated income of the Government and the actual collections for the year showed a deficit of \$36,889,979 m/n which is attributed to decreased receipts from export taxes.

Argentine foreign trade for 1921 is estimated at \$990,000,000 gold.

CONGRESSional RECORD
OF THE SENATE
JAN 11 1922

(793)

(Add)

(91) Debits

On the 31st of December, 1921 the nation's consolidated debt amounted to \$1,217,690,026 m/n of which \$39,743,860 m/n was amortized during the year. The floating debt, consisting of short-term loans, credits in current account, and Treasury bills, amounted to \$558,360,189 m/n. The message to Congress solicited permission to consolidate this debt.

CONFIDENTIAL

SUBJECT... GOVERNMENT POLICY CONCERNING DEVELOPMENT OF ARGENTINE
OILFIELDS. (FOR INFORMATION DIGEST)

From... ARGENTINA

No. 2938 Date January 17, 1923

Replying to No. Date FEB 13 1923

4100: Mining: exploration and
new development.

The new Administration has not yet given any indication of the policy which it intends to adopt for increasing the production of petroleum in Argentina, although when President Alvear assumed office in October he stated that it was the intention of the new Administration to do everything possible both to increase production of the State oil fields, and to encourage the participation of foreign capital in the development of these resources.

Articles appear in the press at very frequent intervals alluding to the unfortunate state of what is generally termed the arrested development of the country's petroleum resources, but so far while criticism of the present petroleum régime is very general none of the local critics have submitted any definite plan for bettering conditions.

Colonel Enrique Mosconi, the new Director General of the State petroleum development, has been ostensibly engaged in extensive investigations of the workings of the State petroleum development, and has recently returned from a trip to the State fields at Comodoro Rivadavia and Neuquen, but he has made no public statements in regard to the result of his investigations.

The new daily paper LA ACCION, which as previously reported by this office is generally supposed to reflect the Administration's point of view, contained an article recently signed by B. Menendez in its issue of November 30th which made a bitter attack on the present system of awarding concessions under what was termed "The Antiquated and Inadequate Mining Code". The writer went on to say that the present system of allowing anyone submitting a request on stamped paper to obtain a concession of one or two thousand hectares, with practically no obligation to undertake the working of the concession, was the best means of encouraging speculation and discouraging production. Most of the possible oil-bearing land in the country is now held by such speculators and any legitimate enterprise is forced to deal with them and agree to give them a large proportion of the possible future profits before undertaking any constructive work. The actual owner of the land is also at a great disadvantage, as he has only a right to damages in case his agricultural work is interfered with, and has no share of the profits in the event that oil is found beneath the surface of his land.

This naturally tends to make the property owning classes unfavorable to the development of the country's petroleum deposits. In conclusion Mr. Menéndez urged a change in the actual system, which he considered is suffocating the development of the country's resources.

LA NACION of December 19th contained a long editorial somewhat on the same lines, but the article in LA ACCION would seem to be more worthy of consideration, as in view of the fact that this is the first article of importance published by this paper, the policy of the paper, and presumably of the Government officials behind it, would seem to be definitely ranged on the side of radically changing the present system.

Mr. Campbell M. Hunter, Technical Adviser of the Compañía Ferrocarrilera de Petróleo and Consulting Engineer of the Argentine Oilfields, Limited of London has recently come out from England, and has stated that he has the greatest faith in the future of Argentina's oil-bearing lands, and that there will be great developments in the industry within the next ten to twenty years. He believes that there is oil to be found in the country from the Andes to the coast, but that under present conditions the costs of producing and marketing the oil are too high and must be brought down before the industry can be made commercially profitable. He gives as a specific instance the excessive cost of moving oil from Comodoro Rivadavia to Bahía Blanca and Buenos Aires, and the even greater cost of shipping machinery from Buenos Aires to Comodoro Rivadavia, which is more than the cost of sending the same material to Argentina from either Europe or the United States.

Excerpts are given below from an editorial published in "La Razón" on December 3, 1922.

"The most extensive petroleum zone in Argentina is in the department of Orán, Province of Salta. In this zone there has developed a silent battle, warlike and tenacious, for the possession of drilling permits. Certain representatives, some official and others unofficial, of large North American capitalists have obtained up to date something like one hundred of these permits and these, judging from the surface indications, for the most favorable sites.

"A state of affairs will soon come to pass, if it has not already arrived, whereby the whole petroleum zone of northern Argentina will become an American colony and with time, perhaps not far distant, we will have to pay for the product of our soil at the prices they impose.

"The Standard Oil Company is but a cloak for the Government at Washington, just the same as the Royal Dutch Shell Company is for the British Government. It is the first of these two enterprises that by either direct or indirect means has acquired a hundred or more drilling permits in Orán.

"It is evident that the exact area embracing petroleum deposits cannot yet be established, so it is impossible to give the surface areas.

"Exploration by foreign elements for sometime past has been intense. Some inhabitants of the district (land owners) were the first to become interested in conditions, but purely from a speculative stand-point.

"These individuals have obtained drilling permits and even mining concessions in order to profit at the opportune time, as they do not understand nor do they possess the necessary means for the working of their concessions. These, fortunately, are few. The State Railways are drilling a few prospecting wells seven leagues from the station "El Quemado". Reliable information, though not detailed, indicates that these corporations have invested up to date in the neighborhood of four million pesos in instruments, transportation, vehicles, animals, salaries and other requisites essential to drilling and prospecting of this kind.

"The ordinary permits for drilling for minerals of the first class, including petroleum, are granted in accordance with the mining laws at present in force, with four units as the maximum (each unit consisting of 500 hectares) which equals 2,000 hectares per permit.

"If only 100 permits are considered, they will have covered not less than 200,000 hectares of a department with an area of 15,000 square kilometers. Assuming that these permits have been obtained in the zone where the evidence of oil is indisputably present, it is easy to realize the importance of these concessions.

"The explorations are made without any scientific data. The few existing geological surveys were the results of work done at various times by scientists in the employ of the National Government, but all of these investigations were sporadic and followed no well defined plan. Nevertheless, these surveys as well as those made by private enterprises have proved that oil was present---that the water of nearly all the rivers, brooks, lakes, etc. contained oil in suspension. A proof of this is that the inhabitants of a place called Tartagal in the Department of Oran---to quicken their fires and for illuminating purposes use a mineral oil obtained in the immediate vicinity.

"It might be assumed that the oil was carried by the water, thereby creating the impression that the potential zone is of extraordinary potency and extension, but notwithstanding this assumption and without denying the possibilities, the fact remains that these identical indications are found in various streams and separate lakes with different sources at distant points. This proves conclusively that oil flows indiscriminately throughout the territory and is indicative of an enormous subterranean deposit of petroleum.

"The petroleum zone of Oran, in the province of Salta, which undoubtedly constitutes the southern part of the Bolivian zone, embraces an area at least ten times greater than that of Comodoro Rivadavia and six times larger than Neuquen. These are the areas assigned this territory by the maps of the Encyclopedia Espana and Engineer Jean.

"The location and possibilities of transporting this oil has given rise to the subject of the possible canalization of the Bermejo. Conservative opinion, however, favors the installation of a pipe line for the conduct of the oil from the wells, to a river station or port (probably Resistencia on the Parana River) from which point it would be easy to ship in tanks by water at a minimum of cost. The length of this line would be 500 to 600 kilometers---less than that which unites the Pennsylvania fields with the port of New York, which has a length of 714 kilometers.

"During the early part of last July a group of North Americans in Oran organized an exploration party, the magnitude

of which can be estimated by the fact that apart from the equipment essential to their work they took with them 800 mules.

"Two fundamental points need to be disposed of before we can face our petroleum problem: a geological survey of the mineral zones of the Republic, and the production of the corresponding maps should be undertaken and important modifications must be made in certain clauses of our present mining code.

"To accomplish the first a law must be passed providing for the organization of a Bureau of Geology and Mines. It must be adequately equipped and supplied with sufficient qualified personnel to undertake a serious survey of the territory where oil is at present obtained, and where the formation of the soil may indicate the possibility of a mineral or petroleum zone. Such a Bureau should be given complete freedom of action, and its geologists must operate along the lines followed by the Americans now in Oran.

"It is also necessary that we adopt the same measures with petroleum as we did in 1917 with iron, and declare the deposits property of the State. Frequently it occurs that deposits will be discovered by individuals, but the State by indemnifying them for their labors and equipment plus a premium for discovery (which could be fixed in accordance with a schedule arranged by experts of the Bureau of Geology and Mines) could immediately obtain possession of the deposits.

"The necessity of monopolizing petroleum development by the State needs no further explanation, and when reference is made to State it must be clearly understood that we mean only National jurisdiction. Neither today nor for some future time will there be an Argentine State capable of undertaking development work. In our present condition not even the National Government is capable of undertaking it without the aid of foreign capital.

"Our temperament is very similar to that of the Mexicans, for which reason we must profit by their example and avoid an occurrence of it here. While the natives sing of the moon and beauty and chant praises of the richness of their silver mines and petroleum wells, the profits and dividends are liquidated on the exchanges of London and New York.

OFFICE CHIEF OF STAFF
MIL. INTEL. DIV.

1923

2655-2-65
MAR 16
WAR DEPARTMENT

3-1

SUBJECT. ECONOMIC FACTOR ----- ARGENTINA

From ARGENTINA-----ECONOMIC

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4300: MANUFACTURES-General.

Principal manufacturing industries.

An industrial census taken in 1910, gave 56 power stations in the provinces and territories. The last census returns in 1914 do not classify power stations by themselves, but give factories and workshops engaged in the electrical trade, but the figures include those of gas and alcohol.

Factories and workshops.....388

For public service: lighting, gas electric, alcohol....305

There are no official details available re electric light installations, but trade circles indicate their distribution as: Prov. of Buenos Aires, 263; Córdoba, 56; Santa Fe, 54; Entre Rios, 13; Tucuman 12; Salta 6; Santiago del Estero, 6; Mendoza 5; Jujuy 4, Corrientes 4; San Luis 3; San Juan 2; Total 530 and to this about 50 more should be added for the National Territories.

There is one factory in Argentina building marine gasoline and oil engines. The factory is producing 15 motors per month of from 6 to 60 HP. The engines are two and four cylinders modelled after English patterns. With the exception of roller drive chains, roller bearings, magnetos and a few supplies, all parts are made in the factory. It supplies cylinders for the repair of marine, automobile and trader engines. In addition the factory casts from 30 to 50 tons of iron per month. The motors are sold directly to local boat builders.

There is also the Industrial Mercantile Thyssen Ltda. established Feb. 3, 1921. Capital \$5,000,000 m/n or 5000 shares of 1000 each. It imports and elaborates steel products. It is German owned and controlled. It produces open hearths (20) roll light rails, angles and channels.

General data on production, industrial organization, etc.

While Argentine depends on her agricultural and pastoral industries for the greater part of her national wealth, there has been a steady development in manufacturing in recent years. In 1913 there were 48,799 industrial establishments in the country. Since 1913 the number has increased largely as the difficulty of obtaining merchandise from abroad has made it possible to manufacture profitably on a small scale many articles which were formerly imported.

These local industries are not manufactories in the fullest sense of the word, but rather transforms of partially manufactured goods into the finished products. Among the various lines of goods which are now being produced may be mentioned cotton and woollen textiles, paper and electrical goods, wagons and carts, blankets, quilts, wearing apparel, shoes, hats, jewelry, patent medicines, soap, candles, pins, glass, needles buckles and decorate ironwork. The larger industries which do not depend on raw materials from abroad, include establishments working bricks, lime, tiles, cement and quebracho extract, linseed oil and paint.

Woollen and cotton yarns are manufactured on a small scale, but the existing factories do not produce more than one fifth of the quantity required. It would be possible to increase the production as cotton of a superior quality is grown in the Chaco, and there is an abundance of wool available, but the necessary machinery for carding and spinning is not available.

On account of the lack of essential materials, and the high cost of skilled laborers, Argentina cannot compete with the leading manufacturing countries of the world.

4300: Manufactures--General.

Principal Manufacturing Industries. General data on production, industrial organization and technique. Extension and development.

Industries in Argentina are very much in their infancy, save and except such as are necessary in the meat and wine trades.

There is no department in the public service specially engaged in the collection and publication of such data.

To present anything of a sketch resort must be had to the National Census of 1914. There is a hesitation on the part of proprietors and controllers to furnish data for obvious reasons.

It must not be overlooked that Argentina is an agricultural and pastoral country, first and last, and industrial enterprise outside the two sections named, meat and wine is given as:

Industries: potentiality in respect to raw materials, according to National Census of 1914, etc.

	<u>No. of establishments</u>	<u>No. of Employees.</u>
Sawmills	305	7378
Chemical products		
Oils(non-edible & minerals)	12	267
Fibres, thread, cloths	4	69
Cotton ginning mills		
Vegetable fibres	3	6
Wool washing plants	10	255
Food Stuffs		
Alcohol	187	1133
Flour mills	401	4909
Freezing meat works	13	14687
Fruit, vegetables, fish preserved	99	1608
Oils, groceries, refineries	22	468
Pork & pork specialties	232	1595
Rice mills	9	239
Sugar mills and refineries	44	14685
Yerba mate mills	31	1051
Metal foundries and foundries and works	29	793
Various, hide salting	8	45

There are more than 100 foundries in the republic and it is estimated that 4/5 of the raw materials are imported.

The three important steel foundries are: Pedro Vasena & Hijos, Cia. Industrial de Electricidad and Juan Pinoges. The first and last operate on the Siemens-Martin principle, while the other uses 3 phase electric-arc furnaces of 1½ tons capacity each.

The Vasena installation consists of one oven holding 20 tons at a charge and a second holding 35 tons. Preparations are in progress for a third one of 100 tons. The Pinoges has 5 30 ton ovens.

Some of the other companies are the Siemens-Schuckert (Ltd.) La Siderúrgica, V. Palermo & Co. and Cordoba Central Railway.

The machine shops are quite well equipped, there being a rumor that they are in a position to take in any class of work whatsoever. These are divided into several groups according to whatever they handle, marine construction, automobile and general repairs, or actually build machinery or parts. The principal articles built are the following: machinery for meat packing plants, punch presses and other can forming machinery; boiling vats, and general apparatus for candle and soap makers; dairy, bakery, macaroni and oil machinery and in addition to these an almost unlimited number of specialties such as well washing cisterns, drilling rigs for water and oil wells, rock crushers, pug mills, centrifugal pumps, hydraulic wheels, lathe, drills and other simple machine tools, shoe machinery, mosaic presses and complete installations for factories preparing tannin extract and yerba mate.

An important part of the work in the larger establishments is the construction of petroleum and water storage tanks, diving bells, cream pasteurizers, tank cars, and similar material needing the use of curved and riveted steel plate.

A list of foundries in Buenos Aires may be obtained from the Bureau of Foreign and Domestic Commerce or from any of the district or cooperative offices by referring to File No. 123719 G. Department of Commerce.

4320: Chemicals and Explosives.

Metallic oxides, as well as all kind chemicals are not produced in the country.

4340: Textiles.

Clothing and essential wearing apparel.

As a result of the war the textile industry has made great strides in Argentina, and the domestic industry now helps to supply most of the articles in common use. Among the most in extent of these are woollen blankets and suitings, light-weight canvas, gray ducks and sheetings, colored ducks, awning cloth, mattress ticking, elastic webbing, lamp wicks, oil and filter press cloth, sisal and cotton rope, hempen alparagata soles and absorbent cotton.

Of all the branches of the textile industry perhaps none received greater impetus from the war than wool spinning and weaving, which though operating for a number of years, has only recently acquired its present strong financial position. The materials turned out consist almost exclusively of blankets and cloth for men's suits and overcoats, all made from native wool. The suitings, however, do not enjoy great prestige in the local market, which recognizes that the Argentine mills have not yet been successful in producing really high grade goods, and therefore the fine casimeres are imported from England and the United States. Cotton is being grown on an increasingly large scale in the Chaco, and, with the installation of spinning mills, the internal demands for yarn may eventually be taken care of without depending upon foreign sources of supply. A great impulse in cotton-cloth weaving is looked for if the domestic producers succeed in providing an abundant supply of suitable raw material, and there should then be a market for machinery and supplies, which would increase in proportion to the growth of the industry. Importations, even at present are confined to soft yarns for making knitted fabrics and stockings.

Cotton cloth in the piece, is still brought in for the manufacture of shirts, collars and cuffs which are cut to measure in the shops and either sewn on the premises or given out to seamstresses to take home.

Silkworms are being cultivated in several sections of the Republic, and the Ministry of Agriculture, is actively encouraging the development of the industry, but it is too early to foretell the success of the venture.

Somewhat more progress has been made in the fiber industry. This may be attributed chiefly to Argentina's abundant supply of native fibers, and to its constantly increasing demand for bagging and other fiber manufactures.

Native wool is used by the Argentine textile mills in the manufacture of practically all of their yarns. With these yarns the factories weave a large variety of piece goods including overcoatings and uniform cloth; only a small quantity of extra fine wool is brought into the country.

Cotton yarn is used for making duck and light canvas, large quantities of which are used as coverings for grain stacks and open railroad cars and for the tops of alparagas and other native shoes.

Both natural and artificial silk yarn is used in the factory making elastic webbing and narrow fabrics. The total amount consumed is small, but doubtless in the future large quantities will be used.

4350: Leather and leather products.

All sorts of leather articles are manufactured in Argentina.

One of the leather establishments has its own tannery and even makes its own tanning extracts. Its principal line is harness and saddlery, but it also operates another department which specializes in hand bags, suit cases and all leather trunks.

In the manufacture of hand bags and pocketbooks in Argentina all the leather used is imported, the greater part coming from the United States.

4380: Rubber Products.

Sources of raw materials.

All crude rubber and fabrics must be imported. The protection afforded by the difference between the customs tariff on imported ready-made rubber articles and that on crude rubber is sufficient to permit the operation of three factories, in Buenos Aires, all of which sell at wholesale and retail. Two of these factories employ about 120 workmen each, while the third is only slightly smaller. Several individuals make a variety of small articles such as stoppers and washers.

Even the larger factories in order to do a satisfactory profitable business in such a limited market find it necessary to manufacture a variety of articles of hard or soft rubber, including telephone receivers, rubber heels, stoppers, door mats, hospital sheets, bottles, carriage tires, football bladders, storage-battery jars, and cylinders for typewriters or printing presses.

One of the companies specializes in automobile tubes and shoes turning out an article that is said to enjoy a very good reputation. All popular sizes of plain, nonskid and riveted shoes are produced with both metric and English measurements.

4370: Lumber.

Promotion of lumber; including wood pulp.

Considering the size of the population, Argentina may be considered a large importer of lumber. The requirements are very similar to those of the United States, with the exception of the frame dwelling houses which are not built in Argentina.

Lumber imports during 1930 as follows:

White pine	M feet	58,171
Unsawn		
Sawn		19
Southern yellow pine		
Unsawn		35,375
Sawn		79
Spruce		
Unsawn		33,007
Sawn		1
Cedar boards and planks		3,345
Mahogany		
Veneer		984
Boards & planks		41
Oak		
Veneer		315
Unsawn		5,149
Sawn		184
American hardwoods, boards & planks		22,893
Hardwoods in general		
Unworked woods in general		4,360
Cedar logs--metric tons		21,632
Quebracho logs.....		46,285
Hardwood logs		
Palm posts for telegraphs no.		33,268
Quebracho posts, number		29,023

The United States is the principal source of imported lumber, though imports from Canada have increased since the armistice. These imports consist mostly of southern yellow pine, oak, spruce and fir in boards, planks and beams.

Although the United States supplies 80% of the oak used in the River Plate countries, considerable quantities are imported from Europe. Walnut is brought principally from France, Belgium, Spain and Italy and is mostly in the form of veneer. The United States supplies 65% of the pine, spruce, oak, ash and walnut imported.

Forestal Resources of the River Plate.

All existing statistics pertaining to the forests in the River Plate countries are estimates, many of which have been made on the basis of inadequate data.

The cutting of quebracho has been developed on a large scale by a few important countries, and the exportation of the logs and the extract from Argentina amounts to over \$25,000,000 yearly.

The hardwood and cedar forests of Argentina are in the north of the Republic adjacent to Paraguay and eastern Bolivia.

Chief among the merchantable woods now being exploited in the sub-tropical and tropical forests of northern Argentina and Paraguay are the soft woods, cedar, canchurana and peteribi; and the hardwoods, quebracho, urunday, lapacho, curupay, palo santo, guayacan, black palm, mora, black laurel, guaytambú and viraró.

4380: Production of lumber

Next in importance to the tropical forest is the central forest of small trees known as "monte". Beginning in the Province of San Luis, Argentina this forest appears as a dense thorn growth which runs northward through the Provinces of Córdoba, Santiago del Estero, Tucuman and touches also the eastern part of Catamarca and La Rioja. Beyond Tucuman, where the rainfall increases, it loses its thorn growth and gradually merges into the dense tropical forest of the Chaco and Bolivia. In San Luis, southern Córdoba and Catamarca, the wood of this thorn forest is utilized principally for firewood and for charcoal, but in northern Córdoba and Santiago del Estero where the region of quebracho, algarrobo and certain other hardwoods begins there is a well developed industry for cutting and preparing fence posts, telegraph poles, cross ties and paving blocks.

In the "Mesopotamia" district of Argentina, that is the rolling country between the rivers Uruguay and Paraná, there is a lightly wooded area containing the small tree "mandubay" which makes a durable fence post and is much used in Entre Rios and Corrientes for that purpose. In the Delta and islands of the Paraná River there is a heavy growth of poplar and willow and the wood is extensively employed for making boxes and light crates. This district also supplies Buenos Aires with quantities of firewood, which is transported to the city in small river craft.

Lombardy and Carolina poplars have been planted in the irrigated vine and fruit regions of San Juan, Mendoza and Rio Negro, in double rows along all irrigation ditches and along the highways. In these districts there is now an inexhaustible supply of softwoods for containers and light building work.

The approximate area of the sub-tropical forests of Argentina is given as 35,000,000 hectares (hectare equals 2.46 acres) the monte or small tree and briar forest covers approximately 20,000,000 hectares and the cordillera or Antarctic forest about 1,000,000 hectares. Another 75,000,000 hectares is covered by the desert of Patagonian bush. The total area covered in Argentina, therefore by marketable woods, including the "monte" district is little less than 20% of the area of the Republic.

There are no figures on the production of forestal products in the River Plate countries, but an idea of the extent of the industry can be obtained from the quantities loaded at the railroad stations of Argentina. In the year 1919 a total of 727,000 metric tons of logs and posts were loaded at all of the stations of the Republic. In addition to this there was loaded during the same year 3,716,700 metric tons of firewood and 351,000 tons of charcoal. This does not take into consideration the lumber, wood and charcoal brought down in river boats from Misiones and the Chaco.

The uses to which lumber is put are flooring, roofing, bridges, piling, frame sheds, crates, furniture, car and wagon manufacture, boats, fencing box shooks, casks and many minor uses.

In the manufacture of wagons and heavy carts, which is a considerable industry in Argentina, the makers are now using native woods almost entirely, the cart wheels, which are usually five but sometimes 10 feet in diameter being made of lapacho and white quebracho.

The local shipyards have employed native woods extensively and several ships up to 400 tons have been built in Buenos

RAILWAYS

Both state and private railways suffered heavily in the year 1921 as a result of both a reduced traffic and of increased expenses, and the following table will show that there has been practically no railways construction in this country during the last four years, the length of the combined State and private railways being on December 31, 1920, that of 35,291 kilometers or 21,929 miles, while, on December 31, 1921, it was 35,300 kilometers, showing a construction of but 9 kilometers (on the Compañía General de Ferrocarriles in the Province of Buenos Aires) during 1921, although it is true that there was an actual construction of 78 kilometers (48.47 miles) on the branch line of the Southern Railway from Bahía Blanca to Carmen de Patagones, by which the line was continued from Stroeder to Carmen de Patagones. The table also shows that, while the number of passengers carried increased over that of 1920, the cargo hauled and the receipts in gold were materially less, the largest average increase in passenger traffic being shown by the broad gauge lines, the falling off in this traffic on medium gauge lines being attributed to the revival of river traffic after the long strike:

<u>Year</u>	<u>Length in Kilometers</u>	<u>No. of Passen- gers carried</u>	<u>Cargo Haul- ed (Tons)</u>	<u>Receipts (\$gold)</u>
1913	32,494	82,322,000	42,033,000	140,113,000
1918	35,256	59,040,000	39,633,000	165,077,000
1919	35,278	70,981,000	41,913,000	190,759,000
1920	35,291	82,286,000	44,323,000	228,916,000
1921	35,300	87,825,900	35,022,900	208,154,000

Length and Rolling Stock of Argentine Railways.

The table on the following page shows the length and rolling stock of each of the Argentine railways, as of January 1, 1922 including both private and state lines:

Aires, using the native algarrobo. The railway shops in Argentina use native woods almost entirely, and the Minister of Public Works has lately decreed that native woods are to be used as far as possible in brick buildings. Ties and telegraph poles are almost all made from native wood.

Mills and Factories---Quebracho Industry.

About six large sawmills in Buenos Aires cut up most of the native lumber used in the city and surrounding country. Small sawmills are found in every town and village of Argentina.

Only the quebracho industry is said to be well organized. the largest of the quebracho companies has extensive holdings of land in the Argentine Chaco with over 300 miles of narrow-gauge logging railway. Lumbering, on the other hand is carried on intermittently and usually by companies or individuals with little capital. Even the larger lumbering companies use the primitive methods of extracting the logs with Indian labor and have never adopted modern logging machinery and methods.

4380: Paper.

Production, sources of supply.

Paper. Only cheap grades of wrapping paper, manufactured from waste are produced in Argentina. The principal sources of supply are the Scandinavian countries, Finland, Germany and the United States and Great Britain.

LENGTH AND ROLLING STOCK OF ARGENTINE RAILWAYS AS OF JAN. 1, 1922.

LIST OF COMPANIES		Existing Lines Kilometers	Railway Stations	Engines	Coaches	Luggage Cars Vans.	Livestock Wagons	Cargo Wagons
N. G. (1000 km.)								
C. Norte Argentino (State)		4,916	237	476	325	315	640	7,126
Formosa to Embudo (State)		1,232	11	6	7	9	23	214
Provincial de Santa Fe		1,964	143	179	152	140	630	4,836
C. General de la Prov. de Aires		1,268	103	104	95	83	356	1,966
The Central Cordoba		1,940	141	302	296	191	274	3,732
D. A. & P. (Prov. Transandino)		1,179	14	29	28	24	20	114
Central of Chubut		105	4	3	3	4	--	67
Rafaela Steam Tram Company		84	14	7	2	3	--	41
TOTAL		10,755	634	1,106	911	772	1,533	21,096
N. G. (1,135 km.)								
Norte Argentino		1,200	64	68	67	51	224	1,014
Norte Chico		1,254	83	80	32	47	241	1,853
Buenos Aires Central		376	43	36	27	23	29	974
TOTAL		2,833	190	197	160	121	494	3,841
E. G. (1,573 km.)								
S. Atlantic to N. Argentino (State)		452	17	21	13	9	4	282
P. Federal to C. de Buenos Aires (State)		286	12	14	8	3	3	218
C. Ferroviaria to C. Salta (State)		197	10	11	3	2	--	81
D. A. & P. Great Southern		6,269	394	680	729	676	1,319	12,631
D. A. & P. Western		3,027	194	346	344	288	1,393	3,130
Central Argentine		5,346	408	750	607	485	900	17,024
Buenos Aires and Pacific		5,336	418	729	359	402	933	10,630
Rosario to Puerto Belgrano		800	52	45	26	26	120	935
TOTAL		21,713	1,505	2,604	2,131	1,693	4,675	47,951
Total State Railways		6,156	287	528	352	338	670	7,921
Total Private Cos.		25,150	2,073	3,382	2,866	2,446	6,442	34,937
TOTAL		35,306	2,360	3,910	3,322	2,786	7,112	72,888

Capital and Working Expenses of
Private Railways in Argentina.

At the beginning of 1921, private capital invested in railways in the Argentine amounted to \$1,276,843,313, Argentine gold, which accounts for the holdings of 14 different companies and gives a fair idea of the value of rolling stock, installation and property held and controlled by privately operated railways. This capital is divided as follows among the different gauges:

Broad gauge.....	\$972,082,534 gold
Medium gauge.....	89,666,300 "
Narrow gauge.....	<u>208,114,482 "</u>
Total	1,276,843,313 "

The Central Argentine Railway heads the list as regards capital invested, with \$293,782,927, gold, while the Rafaela Steam Tram Company has a capital of \$473,655 gold.

The following table shows the capital and working expenses of each of the Argentine private railways in 1921.

STATEMENT OF CAPITAL AND WORKING EXPENSES OF ARGENTINE PRIVATE RAILWAYS IN 1921

NAME OF COMPANY	CAPITAL	REVENUE	EXPENSES	PROFITS
<u>NARRO GAUGE (1000mm.)</u>				
Provincial de Santa Fe	56,729,351	8,146,645	5,309,851	1,845,794
Ola. Gral. Prov. of Bs. As.	45,964,028	6,808,456	6,402,430	406,026
The Central Cordoba	103,248,441	14,240,726	13,741,600	499,126
B.A. & P. (Sec. Trans- andine Central Cnabut Retiela Steam Tram Co.	1,699,027	163,621	157,602	5,019
Totals and averages	473,655	95,443	85,864	9,578
	206,114,483	29,453,890	26,688,347	2,765,543
<u>MEDIUM GAUGE (1435 mm.)</u>				
Argentine North Eastern	31,856,255	3,132,424	2,753,335	369,089
Entre Rios	33,234,752	3,005,497	5,164,012	841,485
Central of Bs. Aires	18,578,293	2,518,238	2,091,844	426,394
Totals and averages	89,669,300	11,643,159	10,009,191	1,636,968
<u>BROAD GAUGE (1673 mm.)</u>				
Buenos Aires Great	266,706,446	45,643,583	37,793,001	7,855,581
Southern	150,835,517	22,204,471	18,902,901	3,301,570
Buenos Aires Western	336,732,627	43,757,621	39,450,846	7,306,775
The Central Argentine	250,248,901	35,615,195	29,130,035	6,535,160
The Bs. Aires & Pacific	31,435,741	1,783,236	1,428,699	314,537
Rosario to Pto. Beltrano	979,093,534	152,309,105	130,795,482	25,413,623
General combined totals of the various railway companies and their com- bined averages	1,276,845,316	193,193,309	163,435,020	29,616,154

The following table shows the revenue, expenses and profits of the privately owned Argentine railways for the five years indicated:

<u>Year</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Profits</u>
1913	\$135,619,761	\$83,735,191	\$51,884,570
1918	169,872,400	128,930,300	40,942,200
1919	195,923,103	144,708,269	51,214,833
1920	216,223,047	178,843,785	41,379,262
1921	193,309,154	163,493,020	29,816,134

Of the 19 Argentine railways, 10 are owned by British capital, 5 by the State, 3 by French interests, and 1 by Argentine capital. The private railways moved a total of only 32,054,009 tons of freight in 1921, as against 41,505,000 tons in 1920, the difference being mainly represented by cereals, cattle and pastoral products for the broad and medium gauge lines, and by fuel and forestal products on the narrow gauge systems. On the other hand the number of passengers carried by the private lines showed an increase as compared with the previous year, the total of 85,434,836 passengers carried in 1921 being more than 5,000,000 in excess of the 80,111,000 carried in 1920. The record for passenger traffic in 1921 goes to the Southern Railway, with a total of 31,351,046, while the Central Chubut carried only 21,343 persons.

While the revenue of the private lines was about \$25,000,000 gold, less than in 1921 than in 1920, working expenses were over \$12,000,000 gold, less leaving profits of but \$29,816,134 gold, in 1921, as against \$41,379,262 gold in 1920.

The receipts of the State Railways in gold in 1920 were about \$13,000,000 as against about \$13,600,000 in 1921.

Projected Constructions and Extensions.

These were discussed in considerable detail in the Annual Report of the American Consulate General for 1920.

Increase in Railway Rates.

No increase in railway tariffs took place in 1920, although at the beginning of 1921, the private roads advised the Argentine Government that they intended increasing their rates. They were officially warned not to do this, but they inaugurated the increased tariffs which were afterwards disallowed by the Government and refunds demanded. Since 1915, the aggregate increase of rates over pre-war rates sanctioned by the Government between 1915 and 1918 was 44 per cent. These advances were granted chiefly on account of the greatly higher running expenses (higher wages, legally increased personnel, and the enhanced costs of railway equipment of all sorts and of all classes of fuel) arising out of the war.

4819: Petroleum Products.

Refineries.

There are 13 petroleum refineries in the Argentine.

<u>Name & Location</u>	<u>Ownership</u>	<u>Crude run per month (tons)</u>	<u>Source of Crude</u>
Cia. Nacional de Petroleos Ltda.----Campana	American & Argentine	3,000 to 4,000	U.S.A. & Peru
"Itaca" Cia. Argentina para la Elaboracion de Productos Petroliferos - Campana	Argentine	500	Comodoro Rivadavia
"El Condor" Destiladora de Petroleo - Avellaneda	Argentine	300	Comodoro Rivadavia
Malapina & Fraguero Avellaneda	Argentine	300	Comodoro Rivadavia
Refineria "La Teresa" Avellaneda	Argentine	200	Comodoro Rivadavia
Bautista Capri, Avellaneda	Argentine	200	C. Riva-davia
Cattaneo & Incarbone Avellaneda	Argentine	150	C. Riva-davia
Gonsior, Laufer & Co. Avellaneda	Argentine	200	Comodoro Rivadavia
Berlin, Libedinsky & Co. Avellaneda	Argentine	100	C. Riva-davia
Obras Sanitarias de la Nacion - Buenos Aires	Argentine Government	?	C. Riva-davia
Palunsky & Co.-Avellaneda	Argentine	100	C. Riva-davia
Cattaneo & Franzetti Puerto Militar	Argentine	?	C. Riva-davia
Refineria "America" Mendoza	Argentine	50	Mendoza

The Cia. Nacional de Petroleos Ltda., is the only important refinery in the Argentine. They manufacture gasoline, kerosene, gas oil, fuel oil, lubricating oils and petroleum coke. The rest of the above mentioned refineries, all of which with the exception of one, use Comodoro Rivadavia Crude, are of small importance, and whilst they produce a limited amount of gasoline and kerosene, they are operated mainly for producing gas oil for use in internal combustion motors.

Pipe-line equipment.

There is none. The "Compania Nacional de Petroleos, Ltda." and the "Itaca" refinery receive their crude oil by vessel. The rest of the refineries receive it either by

tank wagons or tank cars.

Storage tank capacity.

The "Compania Nacional de Petroleos, Ltda." have sufficient storage capacity for 7,700 metric tons of refined products and 37,000 metric tons of crude. The "Itasca" refinery has storage capacity for about 3,000 metric tons of crude and refined products.

Production.

At Comodoro Rivadavia, in the Province of Chubut, where lie the only oil beds in this country that are now actually producing, the Argentine Government has 20 storage tanks with a total capacity of about 130,000 tons of oil, and the private companies at the same point have tanks for storing more or less 70,000 tons.

The loading of tank steamers at Comodoro Rivadavia is effected by a pipe-line laid on a small pier and connected to the steamers, which anchor beyond the pier. All of the oil, whether belonging to the Government or privately owned, is brought to Bahia Blanca or Buenos Aires by the Government tankers. At the present time the Government owns the following tank steamers.

<u>Name</u>	<u>Carrying Capacity.</u>
"12 de Octubre"	9,500 tons
"Santa Cruz"	3,500 "
"Ingeniero Huergo"	4,500 "
"Aristobulo del Valle"	3,500 "
"Ministro Ezcurra"	2,600 "

The production in Argentina during the years 1916-1921 exclusive of the production of private companies has been:

<u>Year</u>	<u>Cubic meters.</u>
1916	139,780
1917	181,704
1918	197,573
1919	188,094
1920	386,542
1921	277,607

The following table shows the output from private workings, and from the State Petroleum Workings, in metric tons for the years 1916-1920, inclusive, the figures for the private companies not being available for 1921 at time of writing:

<u>Year</u>	<u>Output from</u>	<u>Output from</u>	<u>Total Production</u>
1911	-----	1,924	1,924
1912	-----	8,515	8,515
1913	-----	18,432	18,432
1914	-----	41,137	41,137
1915	-----	76,335	76,335
1916	7,850	121,794	129,744
1917	11,601	168,984	180,585
1918	14,938	183,743	198,671
1919	21,364	174,925	196,189
1920	33,061	210,684	243,745

4419: Armament and Munition,
Artillery and Factories.

There is under consideration of Argentina the establishment of its own powder mill and of transferring the powder mill at Toulouse France to Argentina to accomplish it.

The mill must be large enough to supply both the Army and Navy in time of war and peace, and during peace may have the privilege of making commercial and sporting powder.

4410: Farming Machinery, Implements
and Tools.

Dependence on Foreign Supplies.

The largest industrial plants in Argentina are those that manufacture rural articles such as gates, cattle pens, digging tools, wire fence accessories, pumps, windmills and small tools.

It is estimated that there are 400 flour mills in the Republic, 130 being in the Province of Buenos Aires. The total production is valued at \$65,000,000 a year.

4200: HIGHWAYS AND ROADS.

General description of the character of roads in various sections of the country.

The highways in Argentina are poor and insufficient, due to scarcity of settlements and lack of road building material.

The basis of improvements is the use of three per cent of the net profits of railways in giving access to railway stations in proportion to the mileage in each province. The law is well administered, but the funds are inadequate. The highways which receive the benefit of this fund are those in the vicinity of towns, and usually the feeders of the railways.

Argentina, properly speaking, has no highways. Agitation is being made in the larger cities for roads parallel to the railways.

1880: Draft, pack and riding animals.

Classification, quality and numbers available.

According to the Census of 1814:

Horses—pure blood.....	68,450
Mixed.....	3,368,734
Native.....	<u>4,985,881</u>

Total	8,323,815
-------	-----------

Mules.....	565,069
Asses.....	280,157

4630: Transportation Vehicles.

Animal drawn transport.

According to the census of 1914, there were in the Republic:

333,195 wagons and carts
346,888 coaches.

Motor transport.

On December 31, 1931 there were 13,764 motor propelled vehicles registered in Buenos Aires as follows:

Private cars.....5,330
Taxi-cabs.....6,330
Commercial.....1,379
Trial licenses..... 173
Free list..... 102

13,764

On December 31, 1932 there was estimated as being in Argentina:

Ford passenger cars.....52,371
" one ton trucks..... 2,713
All others.....39,916

85,000

4710: Merchant Vessels.

National registry, tonnage.

The total Argentine Merchant Marine is 700 steamers of average of 84 tons, 1201 sailing vessels, average of 73 tons and 1401 barges. Total tonnage 1172,044 tons.

Sailing vessels, 100 tons	No.	39
Steam vessels, between 100-1000	"	41
" " " 1000-10,000	"	16
" " over 10,000 tons	none	
Total		86

4780: Shipyards and Dry Docks.

Capacity for repair of ocean transport; Shipbuilding capacity and current output.

The ship-building capacity in Argentina is practically negligible, as only very small tug boats and barges are built, though several river steamers of fair size have been assembled here after the parts have been sent out from the United States or Europe. The limit is about 150 tons for barges and 5 ton tow boats, but the greatest activity is in remodelling and repairing old craft, although lighters up to 400 or 500 tons have actually been built.

The principal shipbuilding and ship repair plants are:

The Avellaneda Works of the Argentine Navigation Co. (N. Mihanovitch, Ltd.) This is the largest private shipbuilding and repair plant in Argentina. Its principal purpose is as a dockyard for the large river fleet of the Mihanovitch Co. (the majority of stock of which is now in British hands.)

These works are situated on the south shore of the Riachuelo, some 10 minutes ride from the centre of Buenos Aires, and occupy three city blocks. In the first block are the main storehouses, general offices, technical and drawing office, the galvano-plastic department, and a slipway to take vessels up to 800 tons. In the second block are the carpenter shops, sawmill, shipwright shops, copper shop, blacksmith's shop, boiler makers shop, cast iron, cast steel and brass foundries and pattern shop; and in the front of this block are the jetties for ships under repair. In the third block is the main slipway for vessels up to 2000 tons, the plate storage, and the yard machine shop.

The iron foundry has a capacity up to 11 tons, and has cast propellers of 22,000 pounds weight. The steel foundry is prepared for casting up to 12 tons. The brass foundry can handle up to three tons. The machine shop has 50 lathes, horizontal and vertical. Propellers up to 18" diameter have been bored. Planers can take pieces up to 6' by 6' by 24'. A 17 ton stern post was made at these works and fitted to the Brazilian S.S. "Comandante". The number of men employed when in full activity is between 1800 and 2000. There are two 80-ton floating steam cranes.

Mihanovitch Repair Works and Dry Docks at San Fernando.

This is a branch of the Avellaneda Works. (San Fernando is a small town some 13 miles N.W. of Buenos Aires, near the Tigre River. These works handle vessels of less than 12' draft. The dry docks can take vessels of less than 12' draft, and whose length does not exceed 100 meters, and 12' draft.

Mihanovitch Shops and Slipways at Carmelo and at Salto, Uruguay.

For repairing and hauling out river vessels up to 700 tons.

Leon Gaurinski & Co. Buenos Aires.

These works are opposite the south end of Basin No. 1, Buenos Aires, and some 200 meters therefrom. It has two fixed welding sets, one in the shop and the other on the motor tender "La Chiapa". This latter does welding jobs of any class on vessels within range of Buenos Aires or La Plata or up the river. There are also portable resistances for use on ships having electric power of 150 amperes or more.

In addition to electric welding, this company has portable
oxy-acetylene welding sets.

The machine shop has an overhead 5000 kilo crane, and
the following machine tools:

- 16 lathes, the largest capable of handling work 8 meters
between centers and 4 meters diameter at gap.
- 4 planing and shaping machines
- 4 drilling machines
- 1 automatic screwing machine specially adapted for
boiler stays
- 1 precision grinding machine.

(All of these machines have independent electric motor drive.)

The Plate shop has:

- 3 rolls, one capable of handling plates 10' wide.
- 3 punching and shearing machines
- 3 plate drilling and counter-drilling tubes

(All independent electric drive).

The Coppersmith and pipe fitting shop.

This shop is equipped with all modern and up-to-date
facilities.

Smithshop. Two steam hammers; forges; anvils, etc.

Carpenter and pattern shop. Complete.

Foundry. Iron foundry, capacity 4400 lbs.
Brass " " " 2300 "

Oxygen making plant. Extracts and furnishes oxygen for
commercial and medical use.

Handling facilities. Six motor lorries from 1000 to 11,000
lbs. capacity. Overhead traveling cranes at both entrances.

Silvestre Solari (Buenos Aires.)

These works are located at Pasco Colon 1047-1075, in
front of Basin No.1. This company can perform all character
of repairs on ships afloat or in dock. It has no marine rail-
way. It can forge shafts up to 13" by 8 meters.

4007: Commerce - General.

Standardization of weights and measures.

Persistent efforts are being made by the Inter-American High Commission to standardize weights, measures, and commercial practices throughout the Americas, but little progress has been made. The Commercial Attaché, at the request of the Inter-American High Commission has discussed, on several occasions, the establishment of a Bureau of Standards with the Minister of Agriculture and this project is now under consideration.

Governmental policy towards development and protection of commercial activities, in respect to both foreign and domestic trade of nationals.

The policy of the Government toward the development and protection of commercial activities has never been an active one, except that it has always favored the export trade in the products of the country's basic industries. The import trade being almost entirely in the hands of foreign nationals has never received Government aid.

4810: Dependence of Nation on Foreign
Trade.

Effect on foreign policies--commercial treaties. Influence
on ability of nation to conduct war.

Due to the slow development of manufacturing industries, Argentina is dependent upon foreign sources for the great bulk of its manufactured commodities, and in view of its great production of foodstuffs and relatively small consuming population, must seek foreign outlets for at least 80% of its basic products.

Unimportant commercial treaties are in effect with a number of foreign nations.

As to the influence of these factors upon the ability to conduct war, it is probable that the country would be self-supporting insofar as food is concerned, but the economic effects of a sudden stoppage of foreign trade would be disastrous.

4870: Havana, Cuba.

Alighting, Commerce, Customs, Import and Export.

The effect of the present system of taxation being largely based on consumption taxes, as opposed to property and income taxes in other countries, has been to maintain the cost of living at a high point. Export duties have served to slow up the movement of Argentina's principal products, the need for revenues being the principal consideration. As to domestic trade, it has always been hampered by excessive internal revenue taxation.

The purpose of relatively high import duties is only in a small degree traceable to the desire on the part of the Government to protect home industries. The manufacture of war munitions is limited to a small plant maintained by the Government under the direction of the Arsenal.

483 O: Exports and Imports-General.

January 12th, 1923.

THE REVIEW OF THE RIVER PLATE

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Quantities and Destinations of Principal Exports from Jan. 1st to December 31st, 1922, to European, North American, Brazilian and other Overseas Ports

Destinations.	Wheat Tons	Maize Tons	Lineed Tons	Oats Tons	Barley Tons	Flour Tons	Wheat Products Tons	Sugar Tons	Quebracho Logs Tons	Quebracho Extract Tons	Butter Cases	Hay and Alfalfa Bales	Calf Skins No.		
United Kingdom.....	412,141	277,816	81,628	79,889	3,976	18,867	76,890	1	60,791	15,650	639,280	4,278	8,532		
United States.....	—	1,926	802,691	—	—	32	439	—	50,471	16,411	4,767	7,076	1,005,310		
France.....	118,189	387,167	61,715	40,914	825	22	17,026	—	22,741	16,884	67,978	40	8,600		
Germany.....	246,616	181,620	61,715	6,286	6,286	4,609	26,182	6	29,180	46,965	75	—	187,283		
Belgium.....	439,106	814,612	97,899	66,702	12,560	1,809	18,880	—	4,366	12,344	6,916	—	18,848		
Italy.....	149,432	806,661	8,127	45,208	—	1	208	—	18,898	8,826	80	—	148,418		
Holland.....	187,797	119,992	126,918	1,024	1,528	6,497	2,218	—	1,635	2,030	—	—	5,000		
Sweden, Norway.....	23,795	67,406	30,986	1,898	105	288	4,679	—	2,229	4,121	—	—	—		
Denmark.....	14,920	89,795	20,935	808	254	400	4,878	—	102	4,212	—	—	—		
Spain.....	4,291	214,600	5,468	2,820	—	1,146	10	—	—	4,212	238	—	42,961		
Brasil.....	489,417	13	129,934	107	416	40,491	1,009	—	—	2,197	1,200	—	8,206		
Other Countries.....	1,665,995	989,885	81	46,980	—	18,488	15,795	—	—	2,196	1,918	—	—		
Total.....	77,928	45,641	324	55	—	4,860	9,074	—	—	2,196	1,918	—	—		
12 months 1921.....	8,753,793	2,319,983	939,918	282,262	28,850	92,108	165,283	7	124,822	167,815	782,648	197,865	1,968,482		
do. 1920.....	1,708,980	2,829,174	1,851,002	394,487	46,207	46,566	159,516	—	80,867	120,100	848,429	197,865	419,808		
do. 1919.....	6,029,698	4,381,186	1,014,840	410,687	60,876	176,911	80,645	—	86,082	122,887	608,370	1,975	830,886		
do. 1918.....	8,268,239	2,674,721	840,772	381,350	58,123	276,289	87,607	1	61,264	124,688	609,388	88,408	206,471		
do. 1917.....	2,929,419	591,068	391,068	688,686	11,450	180,880	688	—	8,016	124,710	683,764	26,724	36,891		
do. 1917.....	897,632	536,116	140,168	270,761	11,450	95,332	—	—	108,946	100,904	888,144	117,497	36,891		
Destinations.	Dry Ox Hides No.	Salt Ox Hides No.	Horse Hides No.	Sheep Skins Bales	Goat Skins Bales	Wool Bales	Hair Bales	T A I L O W				Frozen Beef Quarters	Chilled Beef Quarters	Frozen Mutton Carcases	Frozen Lamb Carcases
United Kingdom.....	266,458	194,637	202,634	4,161	188	74,811	1,536	778	88,235	—	—	1,882,828	1,772,691	1,440,617	—
United States.....	787,662	3,832,162	71,000	6,932	4,884	68,082	8,939	—	4,265	9,818	5,876	26,849	79,485	—	—
France.....	97,982	83,077	84,000	69,492	635	96,777	1,688	—	12,991	151,188	970	78,219	1,089	—	—
Germany.....	618,897	63,058	17,028	976	53	184,086	1,688	466	43,191	66,660	—	—	—	—	—
Belgium.....	91,623	168,663	8,290	663	11	46,590	1,688	—	10,980	204,480	—	—	—	—	—
Italy.....	669,065	20,867	12,776	867	8	21,069	1,688	118	15,668	57,180	—	—	—	—	—
Holland.....	69,738	82,885	10	144	27	2,732	814	—	35,070	89,827	—	—	—	—	—
Sweden, Norway.....	81,760	181,612	1,500	40	—	2,094	182	—	882	—	—	—	—	—	—
Denmark.....	3,000	8,100	493	—	—	215	—	—	837	—	—	—	—	—	—
Spain.....	545,726	22,811	—	880	9	1,788	—	—	1,884	—	—	—	—	—	—
Brasil.....	12,026	70,167	—	—	—	—	—	—	—	66,420	—	—	—	—	—
Other Countries.....	—	8,000	—	106	65	1,646	—	—	—	683	—	—	—	—	—
Total.....	3,082,797	4,145,256	283,714	78,226	5,876	452,129	10,311	1,882	166,900	641	1,889,286	1,889,286	1,692,838	—	—
12 months 1921.....	1,504,988	2,865,408	78,589	89,945	5,622	878,465	6,181	180	119,248	1,215	8,005,898	1,749,685	2,041,101	876,910	—
do. 1920.....	802,160	2,129,879	185,119	27,688	1,968	282,691	5,780	1,545	180,817	—	4,549,679	692,318	1,189,983	562,854	—
do. 1919.....	1,687,002	3,887,740	632,052	42,542	5,891	819,290	1,186	2,669	216,810	36	5,089,666	74,688	1,425,845	218,832	—
do. 1918.....	1,237,644	3,163,284	40,937	16,192	2,745	276,070	8,926	9,074	282,294	2,048	6,194,674	28,658	1,289,047	231,358	—
do. 1917.....	1,504,904	3,109,026	172,389	86,086	3,886	391,119	6,124	14,408	197,245	10,218	4,426,726	619,912	963,581	450,186	—

AVERAGE WEIGHTS.—1 bale of wool, 420 kilos; 1 bale of sheepskin, 400 kilos; 1 bale of hair, 400 kilos; 1 bale of goat skin, 370 kilos; 1 bale of hay, 50 kilos; 1 pipe of tallow, 400 kilos; 1 hoghead of tallow, 250 kilos; 1 case of tallow, 160 kilos; 1 case of butter 25 kilos—6) not standard;
b) not previously grouped on our table.

4859: Foreign Investments in Argentina
and
Foreign Administration.

Principal foreign powers interested, extent of investments.
Rights extended foreigners to do business and own real estate.

In the days before the World War financiers of Europe watched with eager eyes for opportunities that might arise to place sums of money in the development of Argentina. Great Britain took the initiative and has long maintained first position in the field. An estimate recently made placed the total British capital invested in Argentina at \$1,897,935,000. About one half of this sum has been used in the construction and operation of railways, including the most important lines in the republic, and the remainder has been placed in Government loans, public utilities, land enterprises, sugar plantations, cattle ranches and meat establishments, banks, department stores, etc. A very large part of the national debt of Argentina is held in Great Britain, as are numerous provincial and municipal securities. The British-owned banks are a most important factor in the Argentine Republic, and an all-important aid to British trade.

France has placed, according to estimates by French bankers upwards of \$400,000,000 in Argentina, including important investments in banks, Government loans, one large and several smaller railway systems, land enterprises, etc.

German investments are next in importance, powerful Teutonic interests controlling public utilities that operate in Buenos Aires, Rosario and elsewhere. German banks have in the past wielded great influence in Argentina. A number of large cattle and land concerns have also been financed by German capitalists. While figures are not available, it is reasonable to suppose that nearly \$250,000,000 of German capital is invested in Argentina. These sums have been so carefully placed that great commercial advantages have been obtained by Germany.

The United States, with its banks, meat-packing concerns, and other undertakings is beginning to be a factor in the economic development of Argentina. The conditions in the European money markets, due to the war, have caused the Argentine Government to seek several loans in the United States, and this has led to the establishment of much closer financial relations between the two countries. Possibly there is \$100,000,000 of American capital in Argentina invested in Government loans, banks, public industrial enterprises, railway bonds, etc.

Fair-sized amounts of Government bonds are held in the Netherlands. Most of the external loans of Argentina are listed on the stock exchange at Amsterdam. Dutch capital is also invested in banking institutions, while an important steamline of Dutch nationality maintains a regular service to the River Plate. Italian and Spanish capital is also present, mostly in banks. Belgian capitalists control certain banking institutions and hold some land investments.

Between \$4,000,000,000 and \$4,500,000,000 gold of foreign capital is invested in Argentina according to an estimate made by Dr. Alberto B. Martinez, the well-known Argentine statistician. He divides foreign investments in Argentina as follows, the amounts being in gold pesos of 40.8648.

Various Argentine loans and issues.....	257,303,420
Railways.....	1,344,383,475
Banks.....	51,801,022
Ports.....	32,173,600
Tramways.....	103,490,142
Freezing establishments.....	40,218,430
Gas, electricity, water and drainage cos..	71,373,018
Land and rural property companies.....	72,681,218
Mortgages.....	500,015,972
Insurance.....	3,838,464
Industrial establishments.....	507,730,000
Telephone and radio-telegraphic companies	31,340,000
Comme ce.....	<u>435,189,244</u>

3,382,333,750

Great Britain has long been the largest investor in Argentina.

The following indicates the approximate amounts placed by that country in Argentina: the figures submitted are said to be conservative: \$1,807,935,000 U.S. gold (converted from round sum estimated expressed in pounds sterling.)

The class of securities are: Governmental State and municipal loans, railway securities, stocks, debentures, etc. Industrial, land, timber, oil, lighting, railways, etc.

The Netherlands and Belgium are both owners of banks. Belgium has always looked with favor on the cedulas. (Mortgage bonds.)

Italy, Spain and one or two other countries also have Argentine investments, but their interests are not large.

Foreigners are free to engage in business, and to own real estate on practically the same footing as Argentine nationals.

The following is extracted from the Argentine Constitution: All the inhabitants of the nation enjoy the same privileges in accordance with the law. Foreigners enjoy their exercise, as: to work and exercise every legal industry; to navigate and to trade; to petition the authorities; to enter, remain, travel and leave the Argentine territory; to publish their ideas in the press without previous censure; to use and dispose of property; to associate with useful ends; to profess religion freely; to teach and to learn.

Property is inviolable, and no inhabitant of the nation may be deprived of it, except by virtue of a sentence based on the law. Expropriation for reasons of public utility should be qualified by the law and an indemnity paid previously. Congress alone may impose contributions expressed in Art. 4. No personal service may be exacted except as provided for by law or in a sentence founded on the law. All authors or inventors are the exclusive owners of their works, invention or discovery for the period of time accorded by law. The confiscation of property is withdrawn forever from the Argentine Penal Code. No armed body may exact requisitions, nor assistance of any kind.

Foreigners shall enjoy in the territory of the nation all the civilian rights of the citizen; they may exercise their industry, commerce, or profession, possess real estate, buy it and sell it; navigate on the rivers and coasts; freely exercise their religion; make their wills and marry in accordance with the laws. They are not obliged to admit citizenship, nor to pay forced or extraordinary contributions. They obtain naturalization by residing two continuous years in the nation; but authority may shorten this period in favor of the person requesting it, alleging and proving services to the Republic.

4860: Penetration of National interests into foreign countries.

There are no investments of importance in foreign countries.

4800: Communications--General.

Cables and Cables--Strategic point of points and connections.

The telegraph and cable companies operating in the Argentine Republic are as follows:

All America Cables, Inc. Nationality: American, incorporated under the laws of New York.
Western Telegraph Company Limited (nationality: British.)
The River Plate Telegraph Company (nationality: British)
The Cia. Telefónica Telefónica del Plata and
The Cia. Telegráfica Telefónica Nacional, both controlled by German capital and German management.

All America Cables Co. has three landlines, two of copper and one of iron extending from Buenos Aires across the Andes to Valparaiso (Chile) where connections are made with the well-known All America Cable system from Valparaiso to the United States. This company also has a branch line of two wires between Buenos Aires and Rosario (Santa Fé) and landline and cable connection to Montevideo where it makes connection with submarine cable between Uruguay and Brazil. These lines consist of four aerial wires between the city of Buenos Aires and Atalaya, a distance of 160 kilometers. Between Atalaya and the city of Montevideo there are two single core sub-fluvial cables and one double core, these cables are 37½ nautical miles long.

Western Telegraph Co. has only one cable which goes from Palo Blanco to the Island of Ascension where it connects with what is known as the "Via Madeira" route. Palo Blanco is connected with the Western Telegraph Company's office in Buenos Aires by underground cables.

River Plate Telegraph Co. has one single core cable and on tri-core cable between Punta Lara and Colonia (Uruguay). From Colonia they have two aerial lines to Montevideo and two single core river cables from Colonia to Punta Yegua in the department of Montevideo, thus working four conductors between Buenos Aires and Montevideo.

The Pacific and European Telegraph Company, Ltd. owns and operates a landline from Buenos Aires to Valparaiso across the Andes which consists of two aerial iron wires.

These three companies the Western, River Plate, P. & E. are all under one management and belong to what is known as the Associated Companies of England, and form part of the great Eastern Telegraph Company's system.

The Cia. Telefónica Telefónica del Plata has actually six cables across the River Plate from Punta Lara to Colonia, one is a three core and the other five are single core cables, four of which are in very bad shape. They only work a total of four conductors and use one of the old single core cables of a metallic return for their telephone circuit. This company does both telegraph and telephone business between Buenos Aires and Montevideo.

The Cia. Telegráfica Telefónica Nacional, which though a separate company is under the same management as the Cia. Telefónica Telefónica del Plata has a system of telegraph and telephone wires between Buenos Aires and Rosario (Santa Fé).

The company has also recently secured a concession from the Government to extend their line through the city of Santa Fe, and they expect to have this line completed within ten months.

1933: 1934: 1935:

Installation and General Use.

The Unión Telefónica (British) is the principal company operating in Buenos Aires. The local company, Cooperativa, is unimportant.

In the interior of Argentina there are about 70 small independent companies of varying antiquated plant and equipment.

Nearly all the municipalities of the Province of Buenos Aires are connected with the capital by telephone lines. These lines are operated by 31 companies. 100,014,015 meters have been put up with 237 stations. These lines are attended by 804 men and 711 women. The number of sub-sections is 28,252.

1931: Telegrams:

General Commercial Company of Argentina, Ltd. of Buenos Aires to be known as the Argentine Telegraph and Cable Co.

Names of telegraphic companies and enterprises established in the country:

Internal services: National telegraphic lines.

Telegraph of the Nation: It is a railway line which comprises the following sections:

- a) Argentine Central Northern Railway
- b) Eastern Railway (from Diamante to Graciano)
- c) Railway from Formosa to Uberacastan
- d) Railway from Puerto Leizaola to Colonia Las Moras
- e) Railway from C. Rivadavia to C. Guadalupe
- f) Railway from San Antonio Oeste to Lake Manuel Huapi

Telegraph of the Province of Buenos Aires
National Telegraph and Telephone Co.
General Railway Co. of the Prov. of Bs. Aires
Southern Railway
Western Railway
Pacific Railway
Transandine Railway
Central Argentine Railway
Corrientes Railway
Central Buenos Aires Railway
Rosario to Puerto Belgrano R.R.
Santa Fé Provincial RR/ (Cia. Pr. de Sta. Fé RR.-)
North Eastern Argentine Railway.

Provincial Telegraphs. (they do not go beyond the boundary of the respective provinces)

Telegraph of the Province of Entre Rios
Entre Rios Railway
Buenos Aires Midland Railway
La Plata to Meridiano Vº RR.

International Services.

Telegraph of the Nation (connections direct with Brazil, Chile, Uruguay, Paraguay and Bolivia: Western Co. Telegraph Co. of the River Plate: All America Cable Co. Telegraph and Telephone Co. of the Plate European Pacific Co.

Note: All these companies and enterprises have their legal domicile and legal representatives established within the territory of the nation.

Extension and development of telegraphic lines, within the territory of the Nation. (To Dec. 31, 1931)

Total extension of telegraphic lines.....km.	57,739
" development "	273,886
Development of development---total corresponding to	
Telegraph of the nation.....	101,700
Provincial telegraphs.....	13,543
To railways.....	145,807
To private companies.....	11,777

Total kilometers..... 273,886

Telephonic traffic to London: 31,1831.

Internal Service

[illegible]

9,297,560

International Service.

No of bills paid sent abroad.....	332,770
" " " received from abroad.....	1,058,394
" " " in transit from one frontier to another.....	<u>384,237</u>

Total	2,373,401
-------	-----------

Number of service telegrams..... 14,194,595

General total of number of telegrams..... 35,795,558

NOTE: The telegraphic traffic via the National Tele-
graph lines exclusively to the 31st of December
1931 was:

Telegrams sent.....6,931,186
" received.....7,134,775

Total.....20,553,507

Government control and supervision over all stations.

Under existing laws in Argentina privately owned radio stations are permitted only for international communications. All others are under the Ministry of War or Marine. The Ministry of Marine controls all stations located within 100 miles of the sea on the River Plate, and within 50 miles of either bank of navigable rivers. All other stations are under the control of the Ministry of War.

For these reasons, 85 of the 11 existing stations of the Army and Navy are used for commercial traffic, and authorizations for new stations are granted for commercial reasons as well as on military grounds.

Dr. Federico M. del Ponte, an Argentine engineer has a concession for the Municipality of Buenos Aires for wireless telephone transmitting stations for broadcasting. The municipality reserves the right to grant similar concessions to other companies.

The Havas Agency in Argentina has wireless service direct between Europe and Buenos Aires. The receiving office was installed by the Compagnie Generale Francaise de Telegraphie Sans Fils in Saavedra, suburb of Buenos Aires. The distance bridge is 12,000 kilometers, and the length of the time of transmission is four or five minutes. This concession is for 5 years and is under the Ministry of Marine.

All ships with a crew of over 50 and touching at Argentine ports are compelled by law to be provided with wireless equipment.

The Chief of the public maritime radiotelegraph service is the General Secretary of the Ministry of Marine, under the direct control of which is the "Division Servicio Radiotelegrafico" which has authority over everything concerning radiotelegraphy within the maritime zone. Under the control of the Ministry of Marine there are 31 coastal radiotelegraph stations, which are of the Telefunken system modified in accordance with the necessities of the Navy. According to the latest information they are:

Commercial traffic with ships	11
Naval official traffic only	6
Public correspondence in the inland service	3
Official correspondence inland.....	2

There are also 78 ship stations.

The "División Servicio Radiotelegrafico" has its own radiotelegraph works which construct and repair the greater part of the apparatus used in the Navy. These works are also able to effect repairs to radiotelegraph apparatus of merchant vessels calling at Argentine ports.

The Supreme Government has granted four concessions to different foreign companies to install and work within the maritime zone high-power radiotelegraph stations. These companies are: the "Compania Marconi de Telegrafia sin Hilos de La Plata" (English) which will place this country in communication with England, the "Pan American Wireless Telegraph and Telephone Company" (North American), which has taken over the concession granted to the "Federal Holding Company" to communicate direct with the United States, the German "Wireless Telegraph Company of Berlin" represented by the Siemens-Schuckert Company, which holds the concession to communicate direct with Hauen.

At present all the concessions granted have practically been refunded into one working company, under the name of Transradio Internacional. In this new company the American,

English, French and German companies have an equal interest holding exactly the same number of shares, and control the company by a majority of voting power.

This all means that only one of a few stations is being built for International Traffic, situated to the south of the City of Buenos Aires and near the village of Monte Grande. This station is not nearing completion and is expected to be opened to commercial traffic about the middle of this year.

It will be of sufficient power to maintain direct communications with corresponding stations in the United States (New York Central), England (Cardiff), France (Sainte Assise) and Germany (Hamburg).

Traffic will be handled directly from Buenos Aires, Central Control Office and the cost of a message will be two thirds of ordinary cable rates for same.

There are also some private stations of very small energy, the installations of which are used for experimental purposes.

The station of Baranca Norte (North Dock) transmits daily to all ships and coast stations a news service, as does likewise the radiotelegraph "top" which gives the official time.

There are no special official publications devoted to wireless.

The laws and regulations in force at the present time are: Law No. 9127 regarding radiotelegraphy.
Regulations made by the Executive Power for Radiotelegraphy.
Decrees of the Executive Power amplifying the regulations.

L A W.

A.- Law No. 9127 passed by the National Congress on September 16th, 1913.

Art. 1.- The wireless service within the national territory, and for international communications within a minimum distance of 1,000 kilometers, shall be exclusively under the control of the State.

Art. 2.- The Executive, shall attend to the erection of wireless stations within the national territory, and shall so select the sites for the coast ones that all ships sailing near our coasts and navigating our rivers may always be in touch with them.

Art. 3.- The sum of \$400,000 m/n are hereby allocated to the above. This amount will be charged to general Expenses.

Art. 4.- The use of wireless apparatus in perfect working order is hereby declared compulsory for all ships calling at the ports of Argentina carrying fifty or more persons on board, counting the passengers and the crew, on and after ninety days have elapsed since the promulgation of this law.

Art. 5.- Wireless apparatus handled by skilled operators must have at all times a transmission power of not less than 200 kilometers for river craft, and not less than 500 kilometers for sea-going vessels.

Art. 6.- No ship will be allowed to leave port until the

Prescriptions of Articles 4 and 5 have been complied with, and should the Captain or the officer in charge try to elude or contravene this regulation, the superior local marine authority shall impose a fine of from 1,000 to 5,000 pesos. The party so fined can appeal to the federal magistrate of the district where the contravention has been committed. A double fine will be the penalty for a repetition of the offence.

Art.7.- The Executive will promulgate the regulations in accordance with this law.

Art.8.- The above Act of Parliament shall be communicated to the Executive. The above was approved by the Argentine Congress in the city of Buenos Aires on the sixteenth day of September in the year of our Lord nineteen hundred and thirteen.

EXECUTIVE DECREE OF JULY 12th, 1917.

This is divided into two parts. Of these part 1 only is printed.

PART 1.

CHAPTER 1.

Sub-section 1.

B.-

Art.1.- The "General Rules and Regulations for the Radiotelegraphic Service in the Argentine Republic" as issued by the Secretary General of the Ministry of Marine are hereby approved.

Art.2.- The following Regulations and Ordinances are hereby repealed:

Regulations for the Radiotelegraphic Stations of the Navy (Dec.1st 1906).
Regulations and plan of studies for the Radiotelegraphic Staff (Nov. 27th, 1912).
Regulations for the Radiotelegraphic Service (July 5th, 1913)
Regulations for the Radiotelegraphic Service in the Argentine Republic (October 24th, 1914) and every other regulation affecting the Radiotelegraphic Service issued either as General Instructions, Orders of the Day and circular Letters from the Ministry of Marine, as from the year 1906 inclusive to this date.

Art.3.- The necessary copies of the new Rules, as mentioned in Art. 1 to be printed.

Art.4.- This decree to be communicated, published, etc.
(Signed) Irigoyen
F. Alvarez de Toledo.

The following are the documents approved by the Executive Decree above quoted.

Sub-Section 2.-

ORGANIZATION OF THE RADIOTELEGRAPHIC DEPARTMENT.

Art.1.- The Radiotelegraphic Service constitutes a Department of the General Secretaryship of the Ministry of Marine.

Art.2.- The following duties correspond to this Department:

- (1) To intervene in everything affecting the military and public radiotelegraphic service depending from the Minister of Marine and War in inspection and control.
- (b) To intervene in the formation of reports and in the claims and suits that may be promoted.
- (c) To study and comply with the international laws, regulations, instructions and conventions or facts that may affect this service.
- (d) To work in the reforms tending to improve the service both in connection with technical details and those of a purely disciplinary character.
- (e) To intervene in the preparation of instruction plans and the examination of subordinate radiotelegraphists and civil operators, to propose their promotion and to issue the corresponding credentials. (patentes).
- (f) To intervene in the purchase of radiotelegraphic materials, giving advice and reporting on results.
- (g) To attend to that part of the correspondence and intercourse with the Berne International Office referring to this service.

Art.3.- The radiotelegraphic Service Department will be divided into the following sections:-

- (a) Inquiries, Correspondence and Archives.
- (b) Technical, Inspection and Superintendency.
- (c) Shop, Installations and Repairs.
- (d) Test of apparatus and materials.
- (e) Accounting.

Art.4.- The staffs in the land stations and in the floating lighthouses will be as permanent as consistent with the good service. The staffs will in matters affecting discipline, reexamination and licences be subordinate to the Secretary of the Ministry; but last named officer will see that the General Direction of Personnel is kept informed of the changes occurring in this service.

With the General Secretary rests the duty of putting before the General Director of Personnel any changes that may be considered necessary in the radiotelegraphic staffs on board units of the Navy.

CHAPTER II.

REGULATIONS GOVERNING THE RADIOTELEGRAPHIC SERVICE.

Sub-section 1.

Jurisdiction of the several Ministries according to Law No.5127.

Art.1.- The National territory is hereby divided into two zones for the purposes of jurisdiction and regularisation affecting the service of radiotelegraphic installations. The aforesaid zones are as follows:

- (a) The Maritime zone, which includes all ship stations in

the Maritime Territorial Waters of the navigable rivers, basins and lakes of the river of Guadalupe, 50 kilometers from the sea and river waters, basins and lakes situated within fifty kilometers from the banks of any navigable rivers.

- (b) The Terrestrial Zone, which includes all other installations of national territory which are not covered by the above.

Art.3.- The Maritime Zone is under the jurisdiction of the Minister of Marine, who is responsible for the control of the Public Radiotelegraphic Service and who prescribes the rules and regulations for wireless service in this particular zone.

- (b) The Minister of Marine shall also undertake the duty of transmitting all information of any nature which may be asked from him by the International Bureau of Morse.

Art.3.- (a) The Terrestrial Zone is under the jurisdiction of the Minister of the Interior, who controls the Public Radiotelegraphic Service and who prescribes the rules and regulations for wireless in this particular zone.

- (b) In special cases when a state of siege is declared, all installations in this zone shall be placed under the control of the War Office.

Art.4.- Other Executive Offices can order the installation of wireless stations for their exclusive use, but in such cases the working of such installations must be authorized by the Minister exercising control in the respective zones, and the rules and regulations prescribed for the latter must be observed in these particular stations.

Art.5.- All wireless installations erected in the national territory must observe the international rules and regulations adhered to by the Government of the Republic, and the General Law regulating the Telegraphic Service must be observed in all matters appertaining to the Public Radiotelegraphic Service.

Sub- Section II.

PERMITS FOR THE INSTALLATION OF PRIVATE- LY OWNED RADIOTELEGRAPHIC STATIONS.

Art.1.- Law 9127 having been passed with the object of nationalising of the wireless service, the installation of high-powered wireless stations by private individuals or corporations shall only be allowed in the national territory when such installations are destined for inter-continental communication.

Art.2.- The granting of such concessions as authorized by Art. 1 corresponds to the Minister in whose jurisdiction the new station is to be erected.

Art.3.- Where the Minister having control over the zone where the wireless installation is to be erected has given his consent, all the rulings of said Ministry, or any other of its decisions regarding the stations directly dependent on the said installation, must be obeyed unquestionably.

Art.4.- In general it shall be the duty of the Minister of the Interior to negotiate the bases of agreements in course of conclusion with neighbouring countries, and he will communicate with the Minister of Marine the results arrived at in the course of such negotiations, so that the latter may give effect.

to any such convention or law of force and effect his assent. The Minister of Marine shall have the right of being consulted in the negotiation of such convention.

Art.5.- No radiotelegraphic (transmitter or receiver) station will be erected without obtaining first the necessary license from the Minister of Marine jurisdiction in whose zone the station is to be established.

Art.6.- To obtain the license referred to in Art.5, the installation must fulfill the following requirements:-

- (1) The power transmitted must not exceed 50 watts.
- (2) The wavelength must not exceed 300 metres in the transmitter.
- (3) The receiver may be suitable to receive waves of any length, provided that the Executive Government has no objection thereto.
- (4) The installation must not be used for any interchange of messages in the public service. It will be devoted to experimenting, and only when in the judgment of the Government no harm or disturbance would arise from its use to the current national stations can the installation send or receive special messages.

Art.7.- Anyone infringing the rules set out in Art.5 and 6 will be penalized in accordance with the penalties established in the General Law relating to the National Telegraph Service.

Art.8.- Private installations authorized in accordance with Art.5 must be inspected by the official inspectors, who are entitled to all the information and data they may demand. These installations must be registered and the wireless apparatus must be stamped by an inspector. The Minister exercising jurisdiction in the respective zone can order at any time the closing of authorized private wireless installations.

Sub-Section III.

REGULATIONS AFFECTING ALL INSTALLATIONS ON NATIONAL TERRITORY AND ON BOARD SHIPS.

Art.1.- The power to be used in all installations on land will be limited to that necessary for communication with the nearest stations in the system. Coast installations which must have high power in order to communicate at long distances are excluded from this limitation.

Art.2.- (a) All installations open to public service must receive messages sent by stations under the control of any Ministry or by any of the National Telegraph offices, provided that the regulations established by each administration regarding the radiograms which may go over their lines are complied with at the original stations from which the messages are radiated.

(b) Foreign vessels under the flag of a country which has not adhered to the London Convention will be allowed to communicate with Argentine coast and stationary ship stations, provided the agents representing the Company owning such foreign ships ask for the extension of this privilege and fulfill all the requirements established by the present Regulations and by the London Radiotelegraphic Convention.

Art.3.- Radiograms will be transmitted in the order of priority established by the Law on National Telegraphs and Radiotelegraphic Convention, namely:-

- (a) Distress calls and messages of distress and any other communications; the following:
- (b) Service notices of an "over crisis" when referring to "the safety of life at sea" or containing information of an urgent character for a notification.
- (c) Messages from the Maritime Government.
- (d) Service notices from the Maritime radio stations.
- (e) Messages from the Ministry of Marine, its dependencies and its vessels.
- (f) Service notices from the shipping companies.
- (g) Private messages.

Art.4.- In accordance with Art. 101 of the Law on National Telegraphs, messages of distress and of the same category will be transmitted by the station of origin in the order in which they are delivered to this station, and by the relay stations, in the order in which they are received.

Art.5.- In accordance with Art. 103 of the Law on National Telegraphs, private messages stamped as urgent in the "telegraph" system, should have priority in transmission, even upon messages of a superior category not stamped as urgent.

Art.6.- Any radiogram referring to the internal service of a fleet, squadron or division in march, will be transmitted considering it as urgent.

Art.7.- Every official unrepaid radiogram or telegram sent by Marine officers with authority to do it, will be signed with the corresponding telegraphic address, and such messages will be legalised outside their text with the seal and signature of the competent officer on land or on board.

Art.8.- The following is a list of Marine Officers who are authorized to send unrepaid radiograms and telegrams, according to the Navy Disciplinary Regulations:-

- Secretary General of the Ministry
- Chief of the Radiotelegraphic Department
- Chief of the Hydrography, Lighthouses and Buoys Department.
- Inspector of the Marine Ministry's Dependencies in Tierra del Fuego and Cabo Virgenes.
- Director General of Personnel
- Director General of Material
- Director General of Administration
- Prefect General of Ports
- Prefects of Maritime and River Zones
- Director of the Naval School
- Director of the Training School
- Director of the Mechanics School
- Chief of Fleets, Division, Squadrons, Light Squadrons or Groups
- Chief of Staff of Squadrons and Divisions
- Chiefs of Shipyards and Maritime Zones
- Chief of the Aviation Grounds in "Fuente Barragán"
- Commanders of Ships
- Commander of the Marine Depot (Depósito de Marinería)
- Command of Coast Artillery and "Martín García"
- Managers of the Coast Radiotelegraphic Stations
- Managers of Lighthouses and Director of the "Atto Nuevo" Observatory, when addressing the Chief of Hydrography, Lighthouses and Buoys, or the sectional chiefs in his jurisdiction.
- Sub-Prefects and their Assistants when addressing the Prefect General or the jurisdictional Prefect.

The lists of officers belonging to other branches of national service and who have authority to forward unrepaid

messages will be sent only to Radiotelegraphic Offices when necessary.

Art. 8.- The sender of a station may demand from any sender of a radiogram proof of his identity before transmitting the message, Article 10 of the Convention with Art. 30 and 32 of the International Radiograms of 1905.

Art. 10.- In order to improve the service and with a view to regulate the exchange of radiograms between units of the Navy, coast stations and foreign ships strictly following the regulations established by the International Radiotelegraphic Convention of 1905---the radiotelegraphic stations belonging to the Navy---whether opened or not to the public---shall act in the way hereinafter detailed to make their calls, answers, transmissions, requests of rectification, repeats and notices of reception-viz.-

1. CALLS.

Every call is made up by the sign --- followed by the letters of the station to be called repeated three times, and by the word "de" (-...) followed by the call letters of the calling station repeated three times.

Example of a Call.- Station LIA calls station LIC thus ---
LIC LIC LIC --- LIA LIA LIA

2. ANSWERS.

The station that is being called answers thus: The sign --- followed by the call letters of the calling station, repeated three times; then the word "a" followed once by the call letters of the called or answering station, and ending with the sign -- (invitation to transmit).

Example of an Answer.- Station LIC answers its call to station LIA inviting the latter to transmit its communication, thus: --- LIA LIA LIA --- LIC --

3. HOW TO TRANSMIT A RADIOGRAM.

The following are the elements in which every radiogram is divided:

- 1.- Sign of attention ---
- 2.- Preamble
- 3.- Supplementary Service Instructions, if any
- 4.- Address
- 5.- Text of the radiogram
- 6.- Signature
- 7.- Signal of end of message ---
- 8.- Call letters of the transmitting station. If there are several radiograms to transmit these letters will be sent only after the last message.

The preamble of a radiogram is composed as follows:-

- I.- The word "Radio"
- II.- Class of the radiogram
- III.- Category of the radiograms (Class and category are expressed by a group of letters called prefix)
- IV.- Name of the office of origin
- V.- Number of the radiogram
- VI.- Number of words
- VII.- Date and hour in which the radiogram was received for transmission.
- VIII.- Service instructions.
- IX.- Sign --- (Double hyphen).

Supplementary service instructions are those which are transmitted upon request from the sender and are charged for.

The following call letters will be observed in the transmission of every radiogram:

Preamble:

- 1.- Sign of attention ---
- 2.- The word "Radio"
- 3.- Class of the radiogram
- 4.- Category of the radiogram
- 5.- Name of office of origin
- 6.- Date of the radiogram
- 7.- Number of words
- 8.- Date and hour at which the radiogram was received for transmission.
- 9.- Service instructions
- 10.- The sign ----

Supplementary service instructions:-

- 11.- Supplementary service instructions (if any).
- 12.- The sign ----

Address:

- 13.- The address (which will have at least two words)

Text:

- 14.- The sign ----
- 15.- The text of the radiogram

Signature

- 16.- The sign ----
- 17.- Signature
- 18.- Signal of end of message ---
- 19.- Call letters of the transmitting station.

Examples:- At 8.15 of the 15th of March was delivered at the TORO station a radiogram for the commission, as follows: Lopez Sarmiento 627 Buenos Aires. Send by fast freight 10 cases Viscosine oil. Suarez.

The above radiogram will be transmitted in the following order --- Radio (prefix of class and category) TORO. 175 13 15 8.15 m. --- Lopez Sarmiento 627 Buenos Aires --- Send by fast freight 10 cases Viscosine oil --- Suarez --- LMP

3. The Radiotelegraphic installation of "Daraina Norte" receives the following message on the 25th at 8.15 p.m. from MORON for Benitez, Steamship Rawson: On arrival you will find letter and documents asked for. Rodriguez". This radiogram will be transmitted thus --- Radio (prefix) Moron 18 14 25 18.15s. --- Benitez Steamship Rawson --- On arrival you will find letter and documents asked for Rodriguez --- LIA

3. Example of radiogram from the ship Cabo Corrientes, on the 15th at 3 p.m. to be transmitted to Berlin, via Monrovia, and reading: Schroeder Uhlandstrasse 35 Berlin. Send Motor type DRS 10 HP. Wagner. This message will be transmitted thus: --- Radio (prefix) Cabo Corrientes 25 11 15 3s via Monrovia --- Schroeder Uhlandstrasse 35 Berlin --- Send motor type DRS 10 HP --- Wagner --- LMO.

4. Notice of Reception.

When the receiving station receives a radiogram and has verified the number of words stated in the preamble, notice of reception must be given in this form:

"Call letters of the transmitting station followed by the word de "from" followed by its own call letters. Thus the letter R. the number of the radiogram and the sign to indicate end of transmission --- or end of work --- as the case may be. Example --- LIA de LMX R 78 ---

4. How to ask for "Repeat."

The method to ask for a repeat will be the following:

"The characteristics of the transmitting station will be sent followed by the word *de* (from) and then by the characteristics of the receiving station, and the combination QIA followed by the number of the radiogram:

Example: --- LIA de LMX QIA 77 ---

If only a part of the radiogram is to be repeated, the message will be --- LIA de LMX QIA 73 *de* (from).....

Should the receiving station have any doubts as to the radiogram received or the number of its words, a rectification may be requested thus: -

Sign of attention ---; call letters of the transmitting station, once; the word *de* (from); call letters of the receiving station; the combination QTC; the number of the radiogram to be rectified and the signal ---

Example: LMX asks from LIA the rectification of radiogram 71: --- LIA --- LMX QTC 71 ---

Station LIA answers: --- LMX --- LIA QTC r z p s v w k r ---

Here the letters and figures r, z, p, s, v, w, k, r are the initial letters of each word and the first figures of each number.

5. How to Express the Number of Words.

When the actual number of words signalled is not the same as the number of words charged for, the fact should be expressed as a common fraction in which the numerator will indicate the number of words charged for and the denominator the actual number of words transmitted.

Take as an example the following radiogram: Alvarez Calle Corrientes 735 Buenosaires. Ship immediately; 100 litres benzine, 5 kilograms oakum, 5 kilograms Viscosine oil Suarez 22/18 (22 ---.18).

The real number of words in the message is 18, but the three punctuation marks and the underline are counted and charged as words.

6. How to give the Date and Hour.

The date and the hour will be indicated by two groups of figures; the first group will represent the date of the month, and the second the hour and minutes followed by the letter m or the letter s, as the case may be, meaning before noon and afternoon, respectively.

7. How to Use the Sign ---

Hereafter the sign --- will be used to represent the double dash (=), and not as heretofore to represent the letter elle (ll).

This letter ll will be represented from now on by two consecutive elles (l) (---).

8. How to request a Station to Wait.

When a coast station is not ready to receive a number of radiograms after the preliminary communications from a ship, as detailed in Art. XVIII of the Rules annexed to the London Radiotelegraphic Convention of 1912, the land station will have to instruct the ship to wait, and such instructions will be communicated in the following manner: .

--- LMO --- LIA --- 30 --- 10 ---

This message is sent by the LIA acknowledging receipt of communication from station LMO, and using the service TR notation in words LMO to 10 30 words to communicate and begs the ship at 10 30 wait ten minutes. In these communications the figures will be transmitted using the abridged notation.

10. ABRIDGED NOTATION.

Service communications will be presented by the TR notation.

Art. II: When the text of a radiogram is totally or partially in plain language, the following information will be given in the radiogram:-

1. Total number of compound words as a basis for the charge.
2. Number of plain words in plain language or with a conventional meaning.
3. Number of groups of figures or letters, expressed thus:

30/10/6

This rule applies specially:

- (a) When a radiogram in plain language contains words of more than 15 letters (international system of counting words) or more than 7 syllables (according to our national rule).
- (b) When a radiogram in code language contains words with more than 10 letters.
- (c) When the radiogram contains groups of figures or letters of more than five characters.

Art. 12.- A radiogram must not contain more than 100 words. If the sender needs more words he must divide his communication in as many messages as necessary to comply with the above rule, and these radiograms will be transmitted alternatively with those from the other senders presented for the next turn.

Official unrepaid diagrams must not contain more than 50 words.

Art. 13.- (a) Radiotelegraphic messages transmitted, relayed or received will be kept in the utmost secrecy, as well as the note books, traffic sheets, reports and liquidations of accounts. It is forbidden to divulge the contents of communications intercepted during service hours, even if they do not affect the national public service or the naval service.

(b) If an intercepted radiotelegram contains damaging statements affecting national interests in land or at sea, the information must be communicated at once to the superior of the operator picking up the message, and this operator must keep a memorandum of the text and address of the radiogram concerned.

Art. 14.- It is the duty of every radiotelegraphist to communicate without delay to his superior the contents of intercepted radiograms containing excitations to revolt or affecting the safety of the nation. This information must be transmitted by the superior officer to a competent authority.

Art. 15.- Radiotelegraphic communications, like ordinary telegrams, are confidential; therefore, persons not belonging to the staffs shall not be admitted into the stations.

Art. 16.- In cases referring to the Radiotelegraphic service, not covered by these regulations, the international radiotelegraphic conventions and the law on National Telegraphs will apply. But if a rule or regulation is not found, the case must be submitted in consultation to the nearest (superior) office or to the Radiotelegraphic Department.

To ensure a good service it is the duty of coast stations to give to ship stations all the information they may require.

Art.17.- Radiograms will be delivered following the rules contained in Art.23 of the Law on National Telegraphs.

Administration.

Chief of the Public Maritime Radiotelegraphic Service.

Art.1.- The Secretary General of the Ministry of Marine shall have under his control the Public Maritime Radiotelegraphic Service and his duties will be as follows:

(a) He shall supervise all coast stations and ship stations after installation, both of national and foreign register, calling at national ports, and shall also supervise all coast stations, as prescribed in Art.3 of Law 9137.

(b) He shall control the service of the said stations and will draft the regulations for same, taking care that the rules herein established and the international conventions accepted by the National Government are duly fulfilled.

(c) He shall see to it that all regulations concerning rates, discounts and reimbursements, as well as any others that may be later on prescribed by the Post and Telegraph Office regarding the requirements of radiograms relayed to the National Telegraph lines are faithfully complied with.

(d) He shall forward to the Office of Posts and Telegraphs all claims made to the Prefect General of Ports by Steamship Companies, ship captains or passengers referring to rates, discounts and reimbursements.

(e) He shall issue through the Office of the Prefect-General of Ports the permits for the erection of wireless on board those ships which may have obtained leave to do so in accordance with these regulations.

(f) He shall issue licenses to the wireless telegraphists operating at all stations working within the Maritime Zone, so soon as the conditions affecting such licenses have been fulfilled in accordance with these Regulations.

(g) He shall cancel such licenses and permits granted to stations and operators within the Maritime Zone, as it may, for a good reason, be found necessary to withdraw.

(h) He shall enforce, through the Office of the Prefect-General of Ports, the payment of all fines imposed on shipping companies or ships, and shall direct the deposit of the said fines in the National Bank to the order of the Director of Posts and Telegraphs.

(i) He shall have it in his power to authorize the installation of wireless by private individuals or corporations within the Maritime Zone in accordance with Chapter II, Sub-section I Art.5.

Art.2.- The head of the Public Maritime Radiotelegraphic Service shall act jointly with the Director of Posts and Telegraphs in the following matters: -

(a) In all matters referring to wireless stations installed on the Maritime Zone.

(b) In all matters referring to rates, discounts and reimbursements of the Public Radiotelegraphic Maritime Service in order to obtain a monthly settlement of accounts by the shipping companies or ship captains with the Office of Posts and Telegraphs in conformity with the schedules prepared by the latter.

(c) In the investigation of any questions that may arise for consultation from the Wireless International Service. In all such cases, the Office of Posts and Telegraphs shall communicate with the foreign administrations and authorities concerned.

Art.3.- The Director of Posts and Telegraphs shall deal directly with the Secretary-General of the Ministry of Marine in all cases relating to the Maritime Radiotelegraphic Service.

Art.4.- The necessary instructions to give effect to the provisions of Art.1, paragraph (b) and all other regulations contained in the Regulations of the Radiotelegraphic Service in this jurisdiction, shall be issued through the Department of Radiotelegraphic Service. These instructions shall be communicated to the stations by means of private circulars.

Sub-Section 3.

The General Office of the Prefect-General of Ports.

Art.1.-- The duties of the Prefect-General of Ports will be as follows:-

(a) He shall direct the deposit at the Bank of the Nación Argentina of the fines imposed for the non-fulfilment of said provisions. The money so deposited must be placed to the order of the Director of Posts and Telegraphs.

(b) He shall receive from shipping companies captains or passengers all complaints regarding unsatisfactory service in the coast and ship stations, and shall forward them to the head of the Maritime Radiotelegraphic Service.

(c) Should any complaints be made upon the arrival in port of any vessel, the Prefect shall collect the evidence and forward it to the head of the Naval Radiotelegraphic Service, and he shall act in the same manner should the complaints be made in writing.

(d) He shall prevent the departure of any ship which may have failed to make the necessary deposit at the National Bank (to the order of the Director of Posts and Telegraphs) of the fines imposed in accordance with Art. 6 of Law 9127.

(e) Both upon the arrival and departure of merchant ships the Prefect shall have the wireless installations inspected in order to ascertain whether they are in perfect working order and whether the power of the apparatus is that fixed by law 9127.

Art.2.--- The General Office of the Prefect General of Ports will refer all matters concerning ship stations to the Director of the Public Maritime Radiotelegraphic Service.

Art.3.--- Besides the inspection and control of ship stations in territorial waters and on craft of all register the general office of the Prefect-General of Ports must attend to the following:

(1) The dismantling of the transmitting apparatus of the wireless installations as soon as the ship has moored or anchored.

This precaution could be dispensed with, with the consent of the Maritime authority, in the ports of the Southern Coast and in river ports, where no radiotelegraphic land stations are in existence.

(2) He shall ascertain whether the wireless operator or operators have licenses corresponding to the installations they are working, in conformity with Art. X of the Service Regulations annexed to the London Convention.

(3) In such cases as those covered by Art. XII of the Service Regulations above mentioned, the Prefect General of Ports shall act jointly with the Director General of Supplies of the Ministry of Marine in order to give effect to the provisions of the said article.

Art.4.- First contraventions of the provisions of Art.5, par. 1

will be received by the General office of the Inspector-General of Ports, and each of the following the first will cause a fine of 100 hundred francs, national currency.

Sub-section 2.

COAST STATIONS.

Under the Control of the Head of the Public Maritime Radiotelegraphic Service and Open to Public Service.

Art.1.- The internal service of these stations will be subject to the provisions of these Regulations and those that may be brought into force subsequently.

Art.2.- Coast stations not open to public service may or may not be shown in the Official Compendium as deemed expedient by the Ministry of Marine.

Art.3.- Radiotelegrams must be deposited by the public at telegraph offices, but radiotelegrams at coast stations, subject to the Ministry of Marine will receive direct, and within the regulations hours, telegrams presented by the public at such stations when there does not exist a telegraph office in the locality or in the event of such telegraph office being without communication with the remainder of the system.

Exception from this provision is made for private radiotelegrams from the personnel of the Navy and addressed to stations of the Ministry of Marine, and such radiotelegrams whether or not there is a telegraph office at the place of origin, may be despatched on prepayment of the relative tariff from any radiotelegraph coast station under the control of the said Ministry.

The radiotelegrams referred to in the first paragraph shall follow this route, namely: -

- (a) Messages originating from a telegraph office shall continue transmission by the telegraph route as far as the place where is situated the radiotelegraph coast station that is to transmit them to a ship or to the coast station which is nearest that of destination.
- (b) Messages handed in by the public at coast stations shall be transmitted by wireless route to the nearest telegraph office having expeditious communication, and thence by the telegraph system to the point of destination or to the other coast station that is to transmit them to the ship station.
- (c) Radio telegrams to ship stations that also within the range of the coast stations from which they originate will be interchanged direct.

With regard to radiotelegrams deposited by the public at coast stations, and destined for a place in the interior of the country or abroad, and these messages which owing to interruption of the telegraph line with the point of destination, are handed in at a telegraph office for transmission by wireless route, will be accepted only conditionally.

Art.4.- Coast stations will accept and retransmit traffic handed over to them by the National Telegraphs, when such traffic cannot reach its destination in due course, by reason of interruption or congestion of its lines. Either of these two circumstances will be communicated directly by the Chiefs of the District to the Officers in Charge of the stations who will also be advised of the extent of the interrupted sector, or in case of congestion, the number of messages to be retransmitted by the wireless route in order to normalize the traffic. In case of lack of communication

between the telegraph office and its head office, the Chief of the former will directly request the cooperation of the international radiotelegraph station, making known this circumstance.

In case of interruption or suspension of the lines south of Bahia Blanca, the messages will be transmitted by the radiotelegraph system only in the event of their destination or origin being any of the offices comprised between Bahia Blanca and Ushuaia.

Art.5.- If, although there exists at the place where the message is handed in a National Telegraph Office, having efficient communication, or when the message could be retransmitted to destination by the telegraph lines, the sender should, nevertheless, prefer the radiotelegraph route, over the greater part of its transmission, the message will be charged with the ordinary tariff collected by the National Telegraph in respect of inland telegrams, without prejudice to other taxes that may be applied, calculated according to general rules.

Art.6.- The men of the Navy shall be able to make use of the wireless system over the greater part of the route from any radiotelegraph station under the control of the Minister of Marine on payment of double the ordinary tariff as mentioned in the previous article.

Crews and passengers of mercantile vessels of Argentine registry will enjoy the same privilege on payment of the double coast tax.

Art.7.- Coast stations will not accept from the public messages in secret language unless they have previously been visaged by the Chief of the telegraph Office of the place.

Art.8.- Messages for the "Press, Stock Exchange and Commercial Centres" will not enjoy the half-rate concession that applies to transmission over the national telegraph lines, if the sender should prefer the radiotelegraph route.

Art.9.- Public messages received by radiotelegraph stations will be delivered, without exception, to the nearest Post Office for distribution.

Art.10.- The prefix "D.P.K." will be employed for those public messages whose senders have paid the double tariff on coast charges indicated in Articles 5 and 6. Such messages will have priority of transmission by the wireless route over other public messages.

Art.11.- The hours which will be in force at coast stations, as regards attention to the public, will be from 8 a.m. to 8 p.m. both in winter and in summer.

Art.12.- For the supervision of the radiotelegraph service and control of the fulfillment of everything specified in the International Radiotelegraph Convention of London, and of the present regulations on the part of all radiotelegraph stations, whether ship stations or coast stations in the maritime zone, the undermentioned are designated as stations of control:-

Darsena Norte will control the port of Buenos Aires and vicinity.

La Paz will control the port of Rosario and the vicinity.

Rio Santiago will control the port of La Plata and vicinity.

Puerto Militar will control its own port and Bahia Blanca and the vicinity.

Cabo Virgenes will control the south coast.

Art.13.- In the territories of Santa Cruz and Tierra del Fuego the

control over the radiotelegraph service shall be exercised by an inspector appointed by the Ministry of Marine.

Art.14.- For the purpose of agreement, the coast station will be considered as the terminal station in respect of radiotelegrams emanating from the National Radiotelegraph Service for ship stations, and shall be considered as stations of origin for these stations messages emanating from ships.

Art.15.- Coast stations shall accept, with absolute priority, distress messages made by ships and shall transmit them as "urgent" messages over the land system.

Art.16.- Coast stations shall not retransmit any official radiotelegrams by the order of the National Radiographs emanating from vessels or departments of the Ministry of Marine which can reach its destination without such requisite.

Exception is made as regards official urgent radios which may be delayed by interruptions in the radiotelegraph transmission due to atmospheric perturbations or other causes. Nevertheless, according as services may allow they will be transmitted by the wireless route.

Art.17.- When a vessel of the National Navy shall transmit the "Interruption" signal --- --- repeated several times and followed by her call signal, national merchant vessels and coast stations shall suspend all communications immediately, excepting in cases of shipwreck.

This signal of interruption, which is designated as "Naval Service" shall only be used on the order of the commander of the vessels and shall be employed only in urgent cases that do not permit the normal service wait.

Art.18.- Apart from cases of shipwreck, the station of Dársena Norte has precedence over the others. When that station transmits the interruption signal, all land stations and ships shall suspend their communications to enable the station of Dársena Norte to work without interruption.

Art.19.- The radiotelegraph coast stations of the State performing the service of the National Radiographs shall also observe an internal time table between themselves for the interchange of radios for the public service.

Art.20.- All National ships and land stations shall suspend their communications during the time that the stations designated for the purpose are transmitting the "Top Radiotelegráfico".

Sub-section 7.

National Warship Stations.

Art.1.- Warship and coast stations shall use for official messages the maximum wavelength possible for their aeriels, and should they have to transmit messages to Argentine merchantmen or to foreign merchant steamers they must use the wavelengths specified by the London Convention and by these Regulations.

Art.2.- In order to avoid difficulties in the general radiotelegraphic service arising from the use by and between Navy units employing wireless, and which work with the normal wavelength (300 metres) thus producing interruptions that prevent the reception of other radiograms---this method will be followed, namely:-

1. For signals sent in accordance with, between Navy units, the station shall employ the following wavelengths:-

1.000 dólares: Amílcar Morales, Luis Leiva, General San Martín,
General Bolívar, Puyarrabán, Gabilán, 9 de
Julio, Famoso Viejo, Puente Viejo, Carmichael,
Río de la Cruz.

450 metros: Guila, Altiplano de Elora, Libertad, Independencia, Pucallpa, Tarma, Paita, Corbacho, La Plata, Cuzco, Jajay, Santa Rita, Misiones, Corrientes, Guardia Nacional, 1° de Mayo, Ministro Bustos, Miraflores Leoninlay, Ona, Querandí, Apurimac, Piedra Buena, Vicente Fidel Lopez, Oruro y Andavieta.

5. When the distance between ships does not allow of the establishment of wireless communication with the wavelength mentioned above (No.1) the operator shall use the efficient wavelength that his apparatus may permit.

3. The normal 300 metres wavelength shall be used exclusively for general service between ships and land stations, national or foreign.

4. After the radiotelegraphic communication is established by any means as mentioned above (Nos. 1 and 2), the operator shall endeavor to work, considering the range, with the minimum power required for obtaining effective communication in accordance with the provisions of the London Radiotelegraphic Convention.

5. The syntonisation of the radiotelegraphic stations on board ships of the Navy, shall be controlled and regulated by the radiotelegraphic Service Department of the Navy, in accordance with the wavelengths established by Art.1, and taking into consideration the normal wave of 600 metres.

Sub-Section 3.

Wireless on Merchantmen.

Art.1.- All merchant vessels, whether mechanically propelled or otherwise, carrying fifty or more persons (passengers and crew) must be fitted with a wireless installation in perfect working order, except in the cases referred to in Articles 4,5 and 6 below. The foregoing applies to all craft in similar conditions entering or leaving Argentine ports.

Art.2.- Wireless apparatus in charge of an efficient operator must have at all times a transmitting power of not less than 200 kilowatts for river craft and of not less than 500 for sea craft.

Art.3.- No ships will be allowed to clear when the above provisions have not been duly complied with, and should captains or ship masters endeavour to avoid or contravene this rule the Superior Port Authority can impose a fine of not less than 1,000 pesos and not exceeding 5,000. Those penalised in that way can appeal to the Federal Court having jurisdiction on the locality where the fault has been committed. The fine will be doubled in case of repetition of the offense.

Art.4.- Ships exclusively navigating the rivers of the Republic are exempted from the obligation of carrying wireless on board, but those plying between Argentina and Uruguayan ports on the River Plate and those employed in the coasting trade must carry radiotelegraphic installations.

Art. 5.- The following are the exceptions to the rule set forth by Art. 1:-

- (1) Those ships which, only by accident or other exceptional circumstance, carry more than 50 passengers, either because they are in a position to get stuck in, in order to help the sick members of the crew, or because they have taken aboard passengers and crew of some vessel in distress.
- (2) Those ships on which, by reason of the route they follow or because of the conditions on which they set out to sea, it may be considered that the carrying of wireless installations will be useless and superfluous.
- (3) Those ships where the number of passengers may be raised by exceptional or accidental circumstances to 50 or more owing to their having received on board these additional passengers in the course of the voyage for the purpose of transshipment, with the additional provision that such vessels do not go farther than 150 miles from the nearest coast.
- (4) Sailing ships of primitive construction such as pontoons and lighters, when it is impossible to fit them with wireless.

Art. 6.- Vessels which have started their voyage without meeting the requirements of these regulations cannot be observed or attended to if, by reason of bad weather or through force majeure, they are compelled to seek refuge in Argentine ports.

Art. 7.- All foreign ships carrying wireless installations are divided into three classes according to the classification made regarding ship stations in Article XII of the Regulations annexed to the Radiotelegraphic Convention signed in London on July 5th, 1912. The three classes are:-

FIRST CLASS.- Vessels carrying a permanent wireless service. All vessels fitted to carry 25 or more passengers are included in the First Class.

- (1) If their average speed is of 15 knots or more.
- (2) If they have an average speed of over 13 knots; but only provided they carry 200 or more persons (passengers and crew), and provided also that they traverse a distance of more than 500 nautical miles between two ports of call. These ships, however, may be classified under the second class provided that they maintain a continuous watch.

SECOND CLASS.- Vessels having a limited wireless service. These ships fitted to carry 25 or more passengers which for some other reason may not have been included in the first class are included in this second class. All ships of the second class must, whilst at sea, keep continuous watch during seven hours every day, and watch also for ten minutes at the beginning of each of the remaining seventeen hours.

THIRD CLASS.- To this class belong those ships, national or foreign, carrying wireless installations without any fixed working hours or not included in the first and second classes.

The owner or builder of a ship included in the second or third class has the right to demand that in the certificate of safety issued to him mention be made of the fact that the ship belongs to a higher class, provided the vessel fulfils the requirements laid down for the higher class.

Art. 8.- National and foreign ships carrying wireless must keep a constant watch in the following cases:-

- (1) Passenger ships running to the coast.
- (2) All ships belonging to the first class.
- (3) Ships belonging to the second class, whenever they are at a distance of over 300 miles from the nearest coast.
- (4) Ships carrying more than 50 passengers and which, by reason of their movement, are obliged to navigate at a distance of over 1,000 miles from the nearest coast.
- (5) Fishing craft, including gunfishers, on board of which wireless telegraphy must be carried, are not obliged to keep a continuous watch.
- (6) The continuous watch above referred to must be carried out by two or more first-class qualified telegraphists, as provided for in Art. X of the Regulations annexed to the Convention.

Art. 9.- Any ships must carry wireless and which is classified in the first or second class must have an emergency installation, in accordance with Article XI of the Regulations annexed to the Radiotelegraphic Convention.

In every case the emergency installation shall be placed in its entirety on the upper deck of the ship and should be located as high up as possible. The emergency installation must have a source of energy of its own, must be of such a nature that it can be set into motion very rapidly, and must be capable to work for a minimum of six continuous hours and possess a range of 150 kilometers.

This emergency installation is not required in the case of those ships whose normal installation fulfills all the requirements demanded by this Art. (as enumerated in the preceding clause.)

The license referred to in Art. IX of the Regulations annexed to the International Radiotelegraphic Convention cannot be granted if the installation fails to comply with the requirements demanded by the said Convention and by the present Regulations.

Art. 10.- All points raised in the Radiotelegraphic International Convention and its Regulations which affect ship stations, the transmission of messages, and the issue of certificates to wireless operators, are governed by the following:

- (1) The Rules laid down in the above mentioned Convention and its Regulations, as well as all the amending regulations which may from time to time be substituted for them.
- (2) The present regulations whenever their provisions can be considered as additions to the above.

Sub-Section 9.

Rules for Wireless installations on National Merchantmen.

Art. 1.- All shipping companies whose vessels are included in the regulations laid down in Wireless Law No. 5127 must obtain a permit from the Ministry of Marine and through the Prefect-General of Ports for the installation of wireless stations on their ships.

Art. 2.- Wireless stations on national ships devoted to the conveyance of passengers will be classified as belonging to the first class, and wireless stations on cargo boats will be included in the second class (Art. XIII of the Service Regulations annexed to the Wireless Convention.)

When Shipping Companies apply for permission to install wireless in their vessels they must indicate the class

occupied by such vessel, and this classification must be verified by the Office of the Prefect-General of Ports before forwarding the application to the Secretary-General of the Ministry of Marine.

Art.3.- As soon as the permit has been granted, and immediately after the stations have been erected on the ship, the company must notify the Prefect-General of Ports, so that the latter may - after previous inspection by the wireless inspector---issue the corresponding license through the Chief of the Maritime Wireless Service. This license will be limited over as soon as the sum of 5 pesetas (national currency) for the reimbursement of expenses has been paid.

Art.4.- The Ministry of Marine will grant the license:-

(a) If the wireless installation fulfills all the requirements of the law in the matter of range and also if the installation belongs to a system permitting of its being tuned to the wavelengths specified in the London Wireless Convention, within an approximation of 5 per cent.

(b) If a deposit to the order of the Director General of Posts and Telegraphs has been made in the "Banco de la Nacion" of the amount previously fixed by this office as a guarantee for the exchange of radiograms, this deposit must amount to at least one hundred pesetas, national currency.

(c) The depositor shall not dispose of the deposit (as provided in (b)) unless he previously notifies the administration that his vessels are going to discontinue their registered service, and that sufficient time has elapsed to effect the final liquidation of accounts for radiograms exchanged.

(d) Stations on board ships from a country with which no agreements have been entered into for the exchange of radiograms (between our stations and its ships) will be subject to the conditions (b) and (c); in this case the deposit must be made before any service is rendered, by the agents of the shipping company owning the vessel.

Art.5.- Wireless installations on ships belonging to the national merchant service must be furnished with the following papers:-

- (1) The license authorizing the installation
- (2) One copy of the London Wireless Convention
- (3) One copy of the Wireless Law
- (4) One copy of the wireless regulations
- (5) The official list of Wireless Stations, and alphabetical list of call letters.
- (6) Radiogram forms.
- (7) One copy of the standing wireless rates, which must be kept where it can be plainly seen.
- (8) One slate, placed outside the wireless cabin, so that the names of those stations within range may be noted thereon for the information of the public.

Art.6.- The stations on board national merchantmen must be disposed in such a way that the State's stations may receive the waves emitted by the former.

Art.7.- Radiotelegraphists are forbidden to operate in unlicensed stations. It is their duty to report to the Prefect General of Ports any attempt to compel them to disregard this prohibition.

Art.8.- (a) When a license is issued the station receives its call letters, which will be published in the Official List of Radiotelegraphic Stations issued by the Berne International Telegraphic Bureau. Stations licensed for public service "must not use", even for private purposes, other call letters than those assigned them by the Director of the Maritime Public

Radiotelegraphic Service.

- (b) The operator in charge of the station will be responsible for any infringement of the above provision.

Art. 9.- (a) Operators in charge of public service stations are responsible to the Director of the Maritime Public Radiotelegraphic Service of the fulfillment of the provisions contained in the Regulations in force at the time, and in the International Radiotelegraphic Convention. The manager of the station is the chief of the staff serving in the same, and if it is a ship station the manager is responsible to the ship's captain. The operator in charge of a ship station over which the captain, or if the latter gives an order against the rules of the International Convention, the operator has the right, acting with tact and courtesy, to call the captain's attention to the fact, pointing out to him at the same time, how to avoid the infringement of the rules in carrying through the orders received.

(b) The operator in charge shall keep a "book of orders of the station" the pages of which must be numbered. It is forbidden to detach leaves from this book and to use erasers on its pages. A record will be kept in this book of all orders received from officers with authority to issue them, such as the ship's captain, his substitute, the inspectors representing a Prefect of Ports, etc. Every order will be marked with a number, and in a marginal note, the operator will state the date and hour in which it was received; also the place, whenever possible. The book of orders will be considered as an official document jointly with the "watch book" (libro de guardia). These two books will be referred to in case of a lawsuit originated from infringement of the regulations or through other causes.

Whenever required by a competent authority this book shall be submitted for inspection. Opposite the order (to this effect), in a marginal note, the operator will record the date and hour in which he complied with it.

(c) The operator in charge is responsible for the "service" of the station: Therefore, he must see to it that all measures are taken to insure the most efficient service the class of the station calls for --- as given in the license issued by the Director of the Maritime Public Radiotelegraphic Service.

(d) Only the operator in charge is responsible for the accounts or bookkeeping of the station and, unless expressly orders to the contrary are given, he must prepare the balance sheets and vouchers thereof.

Art. 10.- The operators in charge of a radiotelegraphic station where an emergency station has been installed according to specifications in the Convention, must verify the perfect running of the emergency station before weighing anchor. The experiments to be carried in this case will be purely local, being limited to the test of the generator, the oscillating circuit and the receiving apparatus.

However, if the operator in charge is in doubt as to the range or satisfactory running of the whole set, he may ask any coast station to listen to his call in order to perform any test he may judge necessary. When acting in this way the operator will use the abbreviations given in the international list.

The test will be carried through in this way: the operator will ask for a certain time (un cierto tiempo) the transmission of the signal --- in order to verify the receiving set; afterwards, the operator will send the same signal using the emergency transmitting apparatus, thus testing its efficiency and the wavelength.

The operator of the station will record in his "watch book" all the remarks suggested by the "out" and the "in" of land. If the emergency of time is found deficient in some respect the operator will report to the Captain so that he may give the necessary orders to have it repaired and in working order, according to the International Convention.

Art.11.- When a national merchant ship has to enter a zone manoeuvres are being performed by war-of-war using their license, the merchant ship must ask for a license from the chief of operations to send his messages to the land stations, and in so doing the must state the operation to time that will be required to transmit the traffic in hand.

In these communications both the war-of-war and the merchant ship will use the prefix "T.R."

Art.12.- Whenever these Regulations are infringed information about the facts will be gathered, and in view of the evidence fines will be imposed, according to the national and international laws and regulations covering the telegraphic and radiotelegraphic services. The payment of the fines will not prevent further legal action, as may be required by the nature of the fault. A "license" may be cancelled if the findings in the investigation show the convenience of so doing.

Sub-section 10.

Official Classification, Rates, Collections, and Accounts in all kinds of Radiotelegraphic Stations.

Art.1.- To make up and liquidate the accounts concerning radiograms received from the public at the coast stations, the following method will be observed.

(a) If there is no postal or telegraph office in the locality, the money corresponding to this service will be paid to the Post and telegraphs Treasury through the Administrative Section under the Director General of the Ministry of Marine.

(b) If there is a postal or telegraph office in the town, the payments referred to in (a) will be made to it daily, the wireless coast station getting a receipt for every remittance.

(c) In places where there is a telegraph office, the coast station shall receive messages from the public when the former is out of connection with the telegraph system, and the tolls collected will be paid by the latter to the telegraph office, as stated in (b).

Art.2.- Radiograms for the personnel of the National Navy and ships belonging to other State services will be exempted of the tolls caused at the State ship and coast stations, but not of those corresponding to the land lines.

When such radiograms as those referred to in this article do not use land lines, their transmission will be charged according to the lowest (simple) telegraph rates.

Art.3.- The personnel of the Navy shall be able to make use, without charge, of radiotelegraphy for affairs of service connected with their functions, providing that the interchange is effected directly between stations of the Navy, and without the intervention of any other system of communication. This class of radiogram shall bear the prefix "R.S." and will not be forwarded without the sanction of the officer in command. As regards transmission, they will take priority over the "D.P." radios.

Art.4.- The collection of tolls on private radiograms from ships of the Navy or other public services is subject to the following rules:-

- (a) Radiograms from the personnel mentioned in Art. 3 and those transmitted by any of the national wireless stations to be forwarded by land lines to the office in the service, are subject to the ordinary telegraph rates, and the amount in full must be paid to the operator or chief of the station just as the radiogram is received, and the paid for in land office. The operator will issue in every instance a receipt of the amount collected.
- (b) Every day the operator in charge will hand over to the ship's purser the money received for private messages sent out, and the purser will give a receipt of the amount.
- (c) The pursers of ships stationed at San La Pinta and Buenos Aires ports will pay out every month to the Arsenal Administrative Department the money received from the operators at ship's. This payment must be made according to paragraph (a) Art. 1, of this Sub-section.
- (d) The same operation will take effect every month in the Arsenal and ships anchored in the military port, where the Administrative Department will hand over the money received directly to the telegraph office of that port.
- (e) In the case of ships at sea, the deliveries of money will take place as stated in paragraphs (c) and (d), the payments to be made within twenty-four hours of arrival at their jurisdictional port, if such arrival occurs after the day fixed for settlement of accounts.

Art. 5.- Any claim arising from differences in the accounts submitted will be presented by the Director General of National Posts and Telegraphs to the Chief of the Maritime Public Radiotelegraphic Service.

Art. 6.- Ships and service sections with wireless stations belonging to Ministries (other than the Interior and Marine) will settle the radiotelegraphic accounts according to agreements they will enter into with the Director General of Posts and Telegraphs.

Art. 7.- Shipping companies will settle monthly their accounts with the Administration of Posts and Telegraphs. The settlement will be made according to the statement of account that the latter office will prepare and forward to every shipping company.

Art. 8.- Telegraph and Radiotelegraph rates at present in force are those published in the pamphlet "National Postal and Telegraphic Schedule of Charges" 1917 edition, and in the "Official List" of International Radiotelegraphic Stations. National stations will apply the rates therein given.

Art. 9.- With the amount of tolls collected in the public service by the State's and National Shipping Companies' stations (which amounts are paid to the Administration of Posts and Telegraphs as provided in these Regulations) the following documents will be submitted: the list of radiograms exchanged with the necessary information to identify them and the original of every message sent, relayed and received.
These originals will be placed in a sealed envelope, to be opened by the Administration of Posts and telegraphs only.

Art. 10.- One copy of the list (mentioned in Art. 9) shall be sent in the first five days of every month to the Radiotelegraphic Department, Ministry of Marine, Shipping companies' stations shall forward these lists through the office of the Prefect-General of Ports.

Art. 11.- A separate list will be made of the official radiograms exchanged between the Navy units and between these units and the national coast stations, when the last is their final destination.

tion. The list will be kept in the Radiotelegraphic Department, also in the file of every station, and will be accessible for the originals of the list of the stations (no list, reduced and modified) as provided by Art. 11.

Art. 12.- Coast and ship stations shall be listed by the Director General of Posts and Telegraphs and the decision shall be taken of communication confirming the stations intervening in the exchange of messages, according to Art. XIII of International Radiotelegraphic Regulations.

Art. 13.- The charges collected on account of public radiotelegraphic exchange direct between ships owned by the same company shall not be paid to the Administration of Posts and Telegraphs, but the communication list of messages and their originals shall be supplied as provided above.

Art. 14.- The accounts for direct radiotelegraphic exchange between Argentine merchant ships and between Argentine and foreign ships will be settled between the respective companies, and to this effect in each case the receiving station will make the corresponding charge to the transmitting station, but the list of messages and the originals of the messages exchanged will be supplied by the stations on board national ships.

Art. 15.- The Director-General of Posts and telegraphs shall include in the official list of telegraphic offices the data re national licensed coast and ship stations existing in the country, and the list will be kept for reference and consultation by the public at every telegraph office in the Republic. The necessary information to prepare this list as detailed below---will be supplied by the Ministry of Marine to the Director of Posts and Telegraphs, viz:-

- (a) Inland and Coast Stations. Name, geographical position as shown by the territorial sub-division of the country, and longitude and latitude of the place. Ship Stations. Name of the vessels, and---if essential---name of the owner or owners.
- (b) Call letters. Every group of call letters must contain three letters and shall be differently arranged for each station.)
- (c) Normal range.
- (d) Radiotelegraphic system employed and characteristics of the transmitting set.
- (e) The several wavelengths employed by the station. The normal wavelength to be underlined.
- (f) Class of services rendered by the station (communication with ships, general public correspondence, private correspondence, long-distance public correspondence, special correspondence, exclusively official, etc.)
- (g) Service hours of the station.
- (h) The time and how the signals are sent out, and the meteorological notices, when the station attends to this kind of service.
- (i) Coast and ship rates.

The list will contain, as well, the information communicated to the Berne Bureau relating to radiotelegraphic stations not opened for general public correspondence.

In designation radiotelegraphic stations, the following abbreviations will be made use of:-

- PG- Station open to general public correspondence.
- PR- Station open to restricted public correspondence.
- P - Private Station (estación de interés privado)
- O - Station open exclusively to official correspondence.
- R - Permanent Service Station.

X- Station without fixed hours service.

In case of homonymy, the name of a ship station will be immediately followed---in the first column of the list--by the corresponding call letters.

Art.16.- In the counting of words to collect the tolls, the rules given in the regulations annexed to the Petrograd Convention will be followed.

Art.17.- The originals of public service radiograms and all documents appertaining to same will be safely kept by the Direction General of Posts and Telegraphs during fifteen months, counting from the month following that in which the originals were received at that office.

Art.18.- Reimbursements originated by the exchange of radiograms with the State's stations will be settled in accordance with the provisions of the International Telegraphic and Radiotelegraphic Convention.

Art.19.- In the application of the schedule of charges corresponding to messages issued from or addressed to radiotelegraphic stations established in places where no telegraph office is in existence, such stations will be considered as national telegraph offices and the radiotelegraphic rates will be applied only to messages exchanged with ship stations.

CHAPTER III.

Navy Radiotelegraphic Stations Service.

Sub-section 1.

Stations Staff-duties and Powers.

Art.1.- The staff in every station will consist of one operator in charge and the number of subordinate trained operators required to keep the watch. The number of these operators will be fixed by the Radioteletgraphic Department.

In case of vacancy or temporary absence from the station of the operator in charge his place will be filled by the operator of highest category or, ~~or~~ between men of the same category, by the senior in the service.

Operators in charge shall depend directly from the signal officers.

Art.2.- The operator in charge is responsible to the Department or to the signal officer---as the case may be---both for the proper running and upkeep of the station apparatus and for any lack of attention in the performance of the service. The operator in charge, however, may have the responsibility devolved upon the subordinate who was in the watch at the time of the breakdown, or that inattention took place.

Art.3.- When the station is short-handed the operator in charge will do watch duty as the subordinate, but the former will be at liberty to choose the hours for his watch.

Art.4.- The hours of watch corresponding to each operator will be fixed beforehand, considering the class of service to be rendered and the number of men on the staff of the station.

Art.5.- Ship commanders or managers of other public service have authority to increase temporarily the staff of the stations depending from them, when, on account of manoeuvres or other similar service, they consider it essential to insure efficient

Ships with one operator.....	0800-1100
" " " "	1400-1600
" " " "	2100-2300

Whenever a complaint is made, a full explanation as to the reasons of delay or other cause of complaint shall be given, and to this effect a record of the facts will be entered in a special Watch Book. This book will be kept by the operator in charge and visaed by the signal officer. Coast stations may call at any hour the ship they want to communicate with. In case of delay, the coast station will regulate its work so as to pick up the ship station at the first opportunity.

Ship commanders may call at any hour the permanent service stations, but, in normal circumstances they should arrange their calls to other stations in accordance with the latter's hours of working.

Calls for assistance are to be made at any time they are required.

Stations with intermittent service shall attend an urgent call the moment it is heard whether or not within their regular service hours.

For the purposes of this Article the hour is four hours later than G.M.T.

Sub-section 2.

General rules.

Art.1.- It is absolutely forbidden to the operators to maintain dialogues by wireless; their conversations will, in every instance be limited to the subjects strictly essential to render a good service.

Art.2.- Whenever a radiogram is transmitted with a delay of more than thirty minutes after it was handed in, it shall be endorsed with an explanation of the delay which is to be recorded in the watch book.

Art.3.- When a station calls repeatedly for another and cannot get an answer in more than five minutes, the fact will be recorded in the watch book and also the object of the call. Other stations within the range of the calling station shall record as well the call and the omission to answer it. These records will serve to establish the responsibility for possible delays in the transmission or reception of messages.

Art.4.- When station "causes a wait" (da una espera) of more than ten minutes, the two stations concerned shall record the fact in their respective watch books, the transmitting station giving the classification of the radiogram it has for transmission and the receiving station the cause of the "wait".

The transmitting station shall remind every ten minutes the receiving station of its being waiting, and the reminders will continue until the radiogram in hand is transmitted.

Art.5.- Whenever trouble occurs in the receiving apparatus causing a delay of more than ten minutes, a record of the nature of the trouble will be made in the watch book in order to fix responsibilities. The operator in charge will make a similar record whenever he is unable to answer a call through lack of current in the transmitting set, the burning out of a fuse, or other like accident.

Art.6.- While two stations are in communication, it is absolutely forbidden to the others to interrupt them by calling out a third station, unless the call is to transmit a "very urgent" radiogram or a "general call" from the flagship. However, even in the cases just mentioned the interruption should be made only at the moment the station that is sending messages completes one of them. When this is accomplished the interrupting station shall give the signal of general interruption and the

prefix corresponding to either of the very urgent messages above mentioned, which are to have priority in transmission and reception.

Art.7.- When a ship moors at a port, Navy Yard or dockyard, her wireless plant will be closed after a thorough cleaning of its parts.

Art.8.- To avoid the damages which are likely to occur in wireless stations of resonant spark, on account of the spark gaps being short circuited, the electrodes shall be thoroughly cleaned once a week.

The officer on duty shall be present at the cleaning and will see that it is made properly and thoroughly. To ascertain that the operations have been carried through without impairing the efficiency of the apparatus, the officer will remove the mica washers and will see whether without them the contact between each pair of electrodes is perfectly uniform both in the copper rings and the silver discs.

Art.9.- Radiograms referring to urgent family matters of men in the Navy service and issued from a Navy ship Darsena Norte station, may be sent thence to destination by telephone if the sender so desires. This will not alter the charges provided the expression "T.C.Naval" follows the signature.

Art.10.- Arsenal and dockyard commanders shall take care that the radiotelegraph operators under their command attend in the most thorough manner to the cleaning and maintenance in good order of wireless apparatus on board ships anchored therein. The same commanders will see to it that the operators practise with reasonable frequency in sending and receiving messages.

Art.11.- It is the duty of the staff of a ship station anchored in a Navy yard or military zone to serve in the land stations in the neighbourhood. If one of the latter is closed for repairs, the operators shall report for duty at the station on board the ship appointed to replace the temporarily closed station. When the number of available operators is rather large, the commander of the Navy yard or the military zone will appoint the hours of service corresponding to each operator.

Art.12.- Complaints referring to misdirected, altered, or delayed radiograms should be forwarded by the sender of the message to the captain of the ship whence it was transmitted.

The complaint must contain the number of the radiogram, the hour of transmission, the receiving station, and the name and address of the addressee.

The ship commander will give the necessary instructions to have the information supplied duly checked and all the papers referring to the case shall be sent to the Secretary General of the Ministry. Every complaint must refer to one radiogram only.

Sub-section 3.

Special Book-Keeping of the Navy Stations.

Art.1.- All coast and ship stations shall forward to the Radiotelegraphic Department, Ministry of Marine, in the first five days of every month, two copies of the sheets showing the monthly traffic of both official and public radiograms. The same stations shall forward, every quarter, a statement of the supplies spent and a requisition of the supplies wanted.

Art.3.- As often there are divergencies in the international radiotelegraphic service as to the number of words contained in the radiotelegrams sent and received abroad through stations in national men-of-war, these ships shall forward to the Radio-

telegraphic Department, Ministry of Marine, an authenticated copy of every message exchanged between them and foreign stations.

Such copies shall be forwarded immediately after the arrival of ships in home waters, so that the Department will be in advance in a position to answer the Administration of Posts and Telegraphs consultations on this subject.

Art.3.- In all matters relating to management and book-keeping, independent radiotelegraphic stations shall address direct to the Radiotelegraphic Department.

DECREE NO.1 OF OCTOBER 13, 1919.

Buenos Aires, October 13th, 1919.

THE EXECUTIVE POWER OF THE NATION DECREES:

C.

Art.1.- All restrictions imposed having reference to the use of radiotelegraph installations on merchant vessels are removed.

Art.2.- Merchant vessels shall not make use of their transmitting apparatus on entering the zone comprised within a radius of five nautical miles of the radiotelegraph stations, open to the public service, and during such period as they remain in that zone. Nevertheless they shall be able to use their transmitters in case of urgent necessity to make calls for assistance.

Art.3.- A final period of six months is granted for Argentine merchant vessels to comply with the conditions stipulated by the General Regulations of the Radiotelegraph Service.

Art.4.- At the General Prefecture of Ports an Office of Radiograph Inspection shall be brought into operation which will see that merchant vessels comply with the stipulations of the International Radiotelegraph Convention of London and the General Regulations as regards the Radiotelegraph Service.

Art.5.- This decree to be communicated, published, etc.etc.

(signed) Irigoyen, Julio
Moreno.

DECREE No.2 OF OCTOBER 13, 1919.

Buenos Aires, October 13th, 1919.

The Executive Power of the Nation Decrees:-

Art.1.- Authorises the "Division Servicio Radiotelegráfico" to arrange for the Radiotelegraph Works of the Navy to carry out, on board merchant vessels entering the ports, all work that may be required by the radiotelegraph stations of those vessels.

Art.2.- On the termination of the work the amount incurred as regards wages and materials with an additional charge of 10 % as compensation for the use of machinery and costs of administration shall be liquidated the amount in question to be paid by the captain or shipowner before the vessel leaves the port.

Art.3.- The sums collected in this manner shall be paid over by the "Division Servicio Radiotelegráfico" to the Treasury of the General Administrative Authorities---so that in due course they may be paid to the General Treasury of the Nation and credit

granted for the items destined for the radiotelegraph stations of the Navy.

Art.4.- The Radiotelegraph Inspectorate of the General Prefecture of Ports shall make this Decree known to captains and shipowners.

Art.5.- This decree to be communicated, published, etc.

(Signed) Irigoyen, Julio Moreno.

Government control over radio and supervision over employment.

Radio Schools.

The Navy Department has a school attached to the "Escuela de Mecánicos de la Armada" which has a course of two years. Also the Army has a school called "Escuela Industrial de la Nación" with attached a radio school for merchant service, but graduates must pass an examination at the Navy before getting their license.

Difficulties of control in event of military occupation.

In all concessions there is a clause by which the Government can take over all private stations in event of national needs. In all permits for transmitting stations it is always established that stations may be closed or taken over by the National Government without special underlining of cause in case of internal or external trouble.

The Radio Sud America Co. is formed by the four of the largest corporations in the world, as follows: Marconi Wireless Telegraph Co. Ltd.; Radio Corporation of America, Compagnie Générale de Télégraphie sans Fils, and Telefunken Co.

The Directors of the Radio Sud America are as follows:

President: Captain Powhatan Page

Directors: Mr. Henri Pincemin

Mr. Lloyd Hirst

Mr. Rheinhardt Schmidt

Managing-Director:

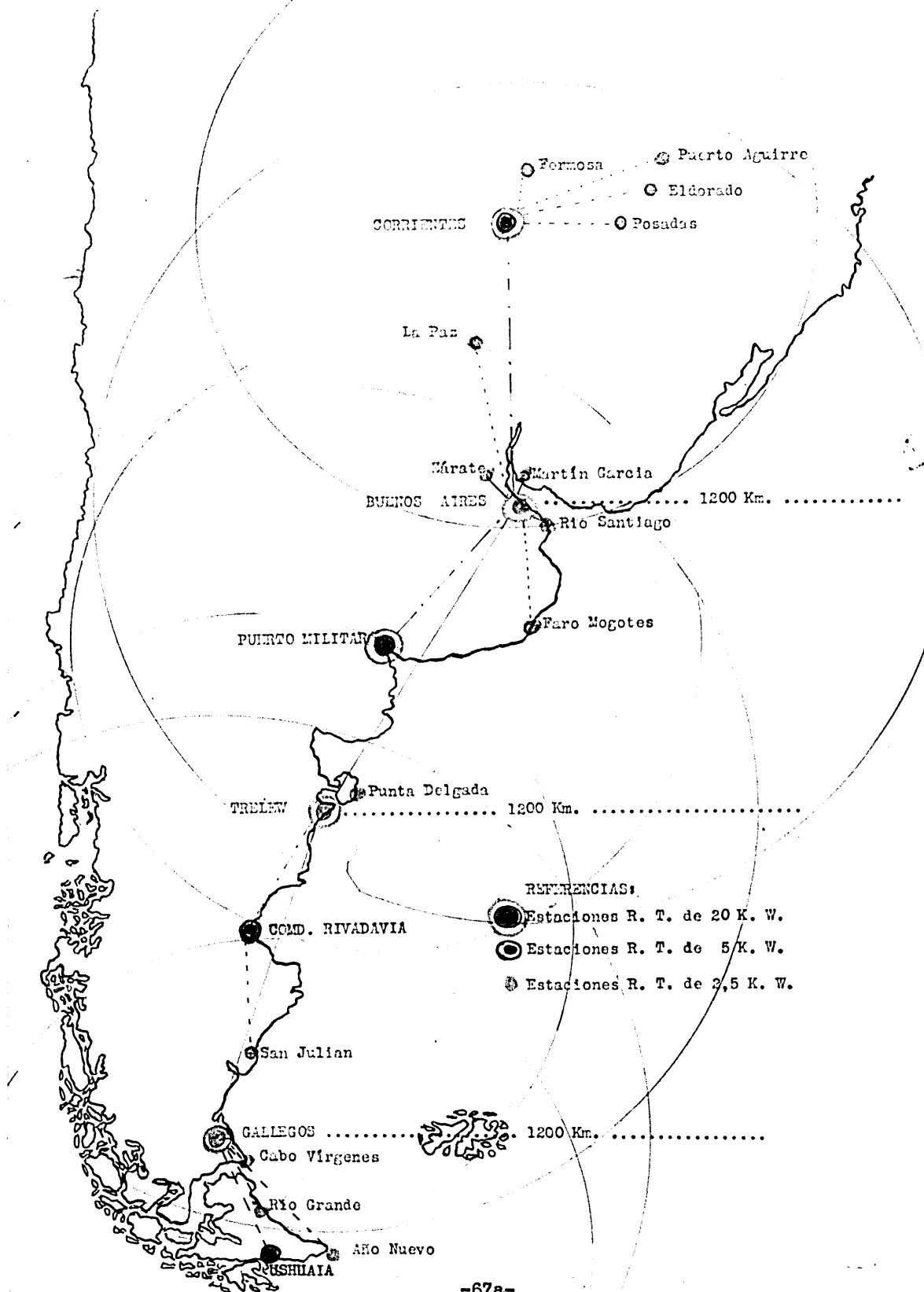
Mr. George William Hayes.

The object of this company is the sale of radio telegraph and telephone apparatus and materials in South America.

As associated company there is also the Transradio Internacional which will exploit a high power station at Monte Grande which will commence to operate in June 1923 with direct circuit to the United States, Great Britain, France and Germany and probably Italy and other countries.

A third company is also in formation called "Compañía Argentina de Broadcasting" which, as its name applies, will provide a source of news, music, etc. by radio telephone. This company is controlled by the Radio Corporation of America.

See attached diagram page 67a.



5000: Finance-General.

Stability of finance.

Although the finances of the national and provincial Governments, and of many of the municipalities in Argentina were already unsatisfactory at the end of 1920, the year 1921 closed with these finances in a still more undesirable state, since almost all of these entities had either added to their budgets deficit and floating debts, or they had failed to accomplish anything of consequence in the direction of reducing their deficits. There seemed to be a general lack of realization of the full significance of the financial upheaval of the war, and of the fact that that upheaval demanded a drastic change in financial policy; and there also seemed to exist that old and stubborn tendency to look to additional loans abroad to remedy matters, which tendency has caused a failure during the recent years of prosperity to consolidate the floating debts out of the savings of the people by means of domestic, rather than of foreign loans. Although the Government in 1920 did make concrete suggestions to Congress for funding a part of the heavy floating debt, or rather to render it less floating, there was scarcely any move made by the Government in 1921 for putting the national finances on a healthier basis.

Banking:

The principal Argentine banking institutions arranged in the order of their total deposits as of October 31, 1922 are as follows:

<u>Institutions</u>	<u>Control & _____</u>	<u>Head Office</u>	<u>Connections</u>
Banco de la Nación Argentina	Government Institution	Bs. Aires	Numerous branches throughout Argentina.
Banco Español del Rio de la Plata	Chiefly Spanish capital but some local	"	9 agencies in Bs. Aires. 25 branches in interior 17 branches in Europe.
Banco de la Provincia de Bs. Aires.	50% owned by the Prov. of Bs. Aires	"	Numerous branches throughout the A. Province of Buenos Aires. Banco Ltd.
Banco de Londres y Rio de la Plata	English	London	35 branches and agencies in S.A. 4 foreign branches Lloyd's Bank Ltd.
Banco de Italia y Rio de la Plata	Local Italian capital	Bs. Aires	6 branches & agencies in B.A. 19 branches in interior.
Nuevo Banco Italiano	Local Italian capital	" "	5 branches in B.A. 3 branches in interior

<u>Institutions</u>	<u>Control</u>	<u>Head</u>	<u>Connections</u>
Banco Anglo-Sudamericano Ltd.	English	London	24 Branches in Latin America 7 branches in Europe 1 Agency in U.S. British Bank of South America, Ltd. The Commercial Bank of Spanish America William Deacon's Bank Ltd. Northern Banking Co. Ltd.
Banco Británico de la América del Sud	"	"	10 Branches in S.A. Anglo-South American Bank Ltd.
Banco Francés é Italiano para la América del Sud	French & Italian	Paris	25 Branches & Agencies in S.A. Principal Shareholders:- Banque de Paris et des Pays Bas, Paris. Banca Commerciale Italiana, Milan Société Générale, Paris.
Banco Alemán Transatlántico	German	Berlin	22 branches in S.A. 2 branches in Europe Deutsche Bank, Berlin
Banco Italo-Sudamericano	Chiefly local Italian Capital	Bs. Aires	4 Branches in B.A.
Banco Francés del Río de la Plata	Local French Capital	Bs. Aires	1 Agency in Bs. As. 3 branches in interior
The First National Bank of Boston	American	Boston	The First National Corporation The French-American Banking Corporation The International Acceptance Bank, Inc.
The National City Bank of New York	American	New York	Numerous Foreign Branches. The National City No. International Banking Corporation
Banco de Galicia y Banco Italo-Belga	Local Spanish capital & Belgian & Italian	Bs. As. & Antwerp.	6 local branches 7 branches in S.A. 2 branches in Europe Principal shareholders: Banque de l'Union Anveroise Société Générale de

<u>Institutions</u>	<u>Control</u>	<u>Head Office.</u>	<u>Connections</u>
			Belgique. Crédito Italiano, Milan.
Banco Popular Argentino	Local capital	Bs. Aires	1 branch in B.A.
Banco Holandés de la América del Sud.	Dutch	Amsterdam	7 branches in S.A. 1 branch in Europe
Banco Germánico de la América del Sud.	German	Berlin	5 branches in Latin America 1 branch in Europe Dresdner Bank, Berlin 4 branches in Argentina.
Banco Comercial del Azul	Local capital	Azul	4 branches in Argentina.
Banco de Londres y Brazil	English	London	16 branches in S.A. 3 branches in Europe 1 Agency in U.S. William Deacon's Bank Ltd.
Banco Argentino Uruguayo	Local Capital	Buenos Aires	51111
The Royal Bank of Canada	Canadian	Montreal	597 branches in Canada and Newfoundland. 88 branches in West Indies 15 branches in Latin America 3 branches in Europe 1 Agency in U.S.
Banco Americano del Rio de la Plata	Chiefly Argentine but some American capital-Advertises "founded on Argentine capital."	Bs. Aires	
Banco Escandinavo Argentino	Scandinavian	Bs. Aires	Norwegian Overseas Bank Union.
Banco del Brazil	Brazilian Government	Rio de Janeiro	
Supervielle & Co,	Uruguayan	Montevideo	Banco Francés Supervielle & Co. Montevideo.
Ernesto Tornquist & Co.	Argentine	Bs. Aires	Some 15 or more leading industrial houses in Argentina in which they have an interest.
Private Banking Institutions.			

5030: Government Budget.

Compare receipts and expenditures.

The official text of the proposed budget for 1933 as submitted to Congress by the Executive on December 7, 1932, is as follows:

Art.1.- Law 11037 is hereby declared effective for the year 1933 with the modifications provided for in the statements annexed to this law, and the expenditures of the Administration for the year are accordingly fixed at \$549,529,013.67 pesos paper in cash, and \$54,555,445.02 pesos in securities, distributed as follows:

SECTION I.

Art.2.- The ordinary expenditures of the Administration are hereby fixed at \$530,945,576.67 pesos paper in cash and \$54,555.445.02 pesos paper, the latter being the estimated proceeds of the negotiations of securities, the total to be distributed as follows:

A. Congress	\$5,726,780.00
B. Ministry of Interior	106,070,335.39
C. Ministry of Foreign Relations	5,698,127.56
D. Ministry of Finance	25,749,738.00
Public Debt	136,146,831.46
E. Ministry of Justice & Public Instruction	96,849,079.43
F. Ministry of War	59,239,078.63
G. Ministry Of Navy	42,956,537.08
H. Ministry of Agriculture	18,915,004.00
I. Ministry of Public Works	23,221,345.00
J. Pensions & Retirements	19,872,729.12
K. Public Works (Proceeds of negotiations of securities and cash	55,055,445.02

\$ 585,501,021.69

SECTION II.

Art.3.- Expenditures for subsidies and charities are fixed at \$18,583,437 pesos paper, devoted as follows: Asylums, Regional and Nocturnal, Mercedes Hospice, Insane Asylum and Charitable Associations of the Capital, and provinces.

Art.4.- The expenditures provided for in Section I shall be derived from the following revenues:

IN CASH.

Import duties	paper pesos
Additional duties 2% - 5%	\$146,230,000.00
Surcharge of 20% on parcel post, baggage and samples	39,700,000.00
	70,000.00

IN CASHPaper pesos.

Increased revenues from import duties if present ad valorem duties and collected on basis of declared valuation	44,000.00
Export duties	37,000.00
Statistical fees 2%	4,800.00
Statistical fees, increased revenue derived from proposed increase of 1 per mil	2,700,000.00
Lighthouse and Buoys	2,500,000.00
Ports, piers and docks	9,200,000.00
Craneage, etc.	2,400,000.00
Storage and slingage	14,500,000.00
Traction (in the port)	2,650,000.00
Traction, increased revenues from increase of rates	2,350,000.00
Rentals and concessions in the port	1,150,000.00
Sanitary visits	300,000.00
Consular fees	1,900,000.00
Consular fees, increased revenue by increase of fees	1,200,000.00
Miscellaneous revenues and fines	2,300,000.00
Alcohol	13,400,000.00
Tobacco	48,500,000.00
Tobacco, increased revenues to be derived from the tax on the sale prices instead of on nominal value	1,000,000.00
Matches	4,000,000.00
Beer	4,600,000.00
Insurance	1,400,000.00
Insurance, from increased rates	1,500,000.00
Playing cards	450,000.00
Alcoholic beverages	12,400,000.00
Perfumes and proprietary medicines total revenues estimated at 4,700,000 of which 2,583,437 is for account of subsidies	2,116,563.00
Wines	1,700,000.00
Denaturants of alcohol	600,000.00
Analyses	1,200,000.00

Sale of products of the Bacteriological Institute	80,000.00
Property tax. Proceeds from tax on property in Federal Capital 16,000,000 pesos, and in National Territories at 3,000,000 pesos, for which 33 1/3% is deducted from the National Board of Education and 30% for the Municipality	7,866,000.00
Property tax. Increase of revenues resulting from proposed new valuation of property in Buenos Aires 14,000,000 pesos, from which the percentages as above for National Board of Education and Municipality should be deducted..	5,133,333.00
Licenses. Maritime licenses, 500,000 pesos paper, Buenos Aires licenses 13,000,000 pesos, National Territories licenses 1,900,000. From the former sum 30% is to be deducted for the municipality of Buenos Aires and 15% for the National Board of Education and from the latter sum 15% for the National Board of Education and 40% for the various municipalities.	8,600,000.00
Stamps and stamped paper	28,200,000.00
Stamps. Increased revenue from modifications proposed, and tax on movable securities	29,000,000.00
Post Office	18,000,000.00
Telegraphs	7,100,000.00
Patents and trade marks	470,000.00
Property Registry and official and judicial bulletins	1,600,000.00
Government notary	50,000.00
Military Tax and fines, Laws 4707 and 8129	300,000.00
Entrance and examination fees	600,000.00
Pasturage fees in National territories	500,000.00
National Transportation	50,000.00
Rental of Public lands	800,000.00
Transfer of fiscal lands	100,000.00
Exploitation of forests	10,000.000
Extraordinary revenues	8,650,000.00
Sales and Rentals, Art.12 of Law 5559	150,000.00
Receipts from the following Divisions:	
Mint and National Printery	10,000
Livestock Division	100,000
Army field	10,000
War and Navy Departments	50,000
	170,000.00
Refund from previous budgets	2,000,000.00

Rental of hangars and warehouses in the New Port of Buenos Aires and in La Plata	100,000.00
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National Sanitary works. Proceeds estimated at 22,500,000 paper, of which the part herein specified is to be used for service on loans, a part for operating expenses and a part for compliance of Art.9 of this law	5,097,893.00
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National Sanitary Works. Laws Nos. 3967 and 4158 and similar	3,200,000.00
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Irrigation fund, Law 6546, service of bonds	400,000.00
---	------------

National Bank, Service of laws 3655 and 3750	450,000.00
--	------------

Province of Bs.Aires, Service of debt	2,274,509.16
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Province of Santa Fé, service of debt	501,041.37
---------------------------------------	------------

Province of Cordoba, service of debt	300,000.00
--------------------------------------	------------

Province of Entre Rios, service of debt	751,338.80
---	------------

Province of Mendoza, service of debt	66,809.66
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Province of Tucuman, service of debt	<u>60,000.00</u>
--------------------------------------	------------------

530,447,487.99

The revenues to be provided for by Statement "L" are
as follows:

From National Lottery prizes for sport field Law 11084	500,000.00
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Proceeds of the negotiations of 15,000,000 pesos gold, securities, Law 5944	29,900,000.00
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Proceeds of negotiations of bonds authoriz- ed by Art.19 of this law, 30,000,000	<u>25,555,445.02</u>
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Total	55,055,445.02
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The expenditures provided for by section II
(subsidies) shall be derived from the
following revenues:

In Cash:

Proceeds of National Lottery and taxes estab- lished by Law 6026, after deducting sums necessary to meet operating expenses and to comply with terms of law 3967	13,000,000.00
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Fund created from tax on racing	3,000,000.00
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Fund created from tax on perfumes and proprietary medicine	<u>2,583,437.00</u>
---	---------------------

Total	18,583,437.00
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5930: Food Products.

Animal, production.

According to the 1914 Census and estimate for 1919 the following is given:

<u>1914</u>	<u>1919.</u>
Cattle.....25,866,763	27,720,832
Sheep.....43,225,452	45,767,044
Goats.....4,325,280	4,762,519
Pigs.....3,900,585	3,198,829
Fowls.....24,691,286	
Ducks, turkeys and geese.....2,114,793	

Agricultural production in 1920 was as follows:

<u>PRODUCTION</u>	<u>CONSUMPTION</u>	<u>EXPORTATION</u>
Seed5,515,000	1,086,354	
Wheat.....		5,084,500
Flour.....		173,000
Wheat & flour as wheat.....		5,312,100
Maize.....6,671,000	3,150,300	4,410,700
Linseed...1,082,000	221,222	1,050,400
Oats.....691,000	281,800	410,200

CONFIDENTIAL

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u.s.n.

SUBJECT--ECONOMIC ESTIMATE OF ARGENTINA

(FOR INFORMATION--DIGEST)

From--ARGENTINA

No. 3165

Date June 12 19 23

Replying to No. G-2/2655-L-65

Date April 5 19 23

RECEIVED 6/12/23 JUL 17 1923

1. GENERAL ECONOMIC CHARACTERISTICS AND IMPORTANCE.

The Argentine Republic is situated in the southern part of South America, between 31°30' and 54°52' south latitude and between 52° and 73° west longitude. Total area: 2,797,113 sq. kms.

It is bounded on the north by Bolivia, Paraguay and Brazil; on the east by Brazil, Uruguay and the Atlantic Ocean, on the south by the Atlantic Ocean and Chile; on the west by Chile.

Its population is about 8,832,483, having approximately 13th place in the world, but it has only 3.7 inhabitants per square kilometer.

Argentina has boundary questions pending and under discussion with Bolivia, Paraguay and Uruguay, but none of them are acute.

The country is not well watered except along the valleys of the principal rivers: the Paraná; Paraguay, which flows into the Paraná; the Uruguay; the Plate formed by the Paraná and the Uruguay; the Negro and Colorado and Chubut. They all flow south or southeast and empty into the Atlantic Ocean.

With the exception of the Andean Cordillera between Argentina and Chile and Bolivia, Argentina has no highlands but the three denominated Central, Southern and Misiones whose locations are as indicated, and of such a character that they form no obstacle to traffic and communications. The Andean range only is a formidable obstacle for traffic, but this is gradually being overcome by engineering science. There are numerous passes and when the new railway line through the Pino Hachado Pass to Chile is completed, communications will be greatly improved as this pass is open the entire year. The rest of the country is an immense low level plain denominated the Pampa.

Economically Argentina is divided into three zones:

1. Northern which includes all the northern provinces and territories. It contains about 1.8 inhabitants per sq. km. and about 17.5% of the total population. The climate is warm, soil sandy, water somewhat saline, and rains more in the east than in the west. The population is more marked here with the Indian blood than in the central region. The negro strain is very slight, but still more marked than in any other point of Argentina.

The principal products are sugarcane, peanuts, cotton, yerba mate, manioc, alfalfa, maize and wheat.

2. Central which occupies all the central part of the Republic from the Atlantic Ocean to the Andes. It contains about 5.2 inhabitants per sq. kilometer, or about 82.4 of the total population. The climate is temperate, rains being more regularly distributed especially in the east, and the soil is fertile. The population is mostly pure white (Spanish and Italian) with the strain of the Indian.

Central (continued)

The principal products are wheat, maize, flax, alfalfa and fruits, especially grapes in the west. This is the great cattle section, the principal industry of Argentina. Also as of extreme secondary importance it is the industrial region.

3. Southern occupying the entire southern part of the Republic. It is about .1% of the population and about .1 inhabitant to the square kilometer. Here the climate is cold, the winds persistent, and soil unproductive except along the river banks. The inhabitants are mostly Scotch, Welsh and English. The Indians are along the Andean foothills.

This section is devoted mainly to sheep raising. Forests of good timber are found in the mountains.

The Argentine climate on the whole is very healthy except in the north west where malaria prevails, but an attempt is now being made on scientific lines to stamp it out. In the south it is not unhealthy but severe and trying.

The intercourse between the northern and central zones is good by rail, and by water in the eastern part. There is no rail connection with the southern zone, and by water only via the Atlantic coast, and thence up the rivers.

The Argentine coastline is about 2500 kilometers long bordering on the Atlantic Ocean and the River Plate. The most important seaports are Buenos Aires, La Plata (both on the River Plate which is about 40 kilometers wide at these points) and Bahia Blanca. Here are good docking facilities, basin, piers, marine railways, etc. and railways for freight and passengers to all parts of the Republic except the south. The channels of Buenos Aires and La Plata are about 27' deep, and that of Bahia Blanca about 30' are good, but are kept open by continuous dredging.

Through Buenos Aires in 1921 exports were 42% and imports 85%; Rosario, exports were 20% and imports 4%; Bahia Blanca, exports 9.9%, imports 1.2%; Santa Fe exports 1.7%, imports .014%

2. PRODUCTION, RAW MATERIALS AND FOOD, OUTSTANDING SURPLUSES AND DEFICIENCIES, FOREIGN MARKETS FOR SURPLUSES. SOURCES FROM WHICH DEFICIENCIES ARE SUPPLIED. ESPECIAL ATTENTION TO BASIC WAR MATERIALS.

Argentina can and does easily feed herself. While fresh fruits are imported from the United States and Brazil, and canned goods from the United States and Europe, these are not at all necessary for the life of the nation.

The country's exports are large and are almost wholly confined to wheat, corn, linseed, frozen and chilled meats, hides, wool, butter and quebracho. The United States, the United Kingdom, Belgium, France and Italy are the heavy buyers. In 1917 exportation in meats reached 63.3% of the total exports--- in 1919 it had descended to 53.3%; of agricultural products in 1917, exportation was 26.3%; in 1919, 42.6%.

Her imports are mostly wholly manufactured goods, principally machinery of all kinds, leather and leather articles, locomotives, rails, automobiles, agricultural implements, shoes, cotton and woollen goods, spinning and weaving machines, timber, electrical goods, tin plate and galvanized iron. They come principally from the United States and England. Before the war Germany held second place to England in importation, and although much reduced at present it is regaining its foothold rapidly, the psychological element being a strong factor. The United States held its place in 1919 importing 35.5%, with England securing 23.6%. The other importing countries are France, Italy, Brazil and Spain. Brazil in 1919 held third place importing timber, fruit, sugar and above everything else---yerba mate. Fine fabrics, linen, perfumes, toilet articles, etc. come from France and Belgium. England now holds first place in importation.

Argentina has no minerals so to speak, and even the production of its petroleum fields is problematical.

3. INDUSTRIAL EQUIPMENT, MANUFACTURING CAPACITY, PARTICULARLY IN RESPECT TO WAR MUNITIONS. SHIPBUILDING CAPACITY.

Argentina having developed no mineral fuel or water power or metals, and its vegetable and animal raw materials being limited in kind, it is everything but a manufacturing country. In Buenos Aires, however, and to a far less degree in Rosario and Cordoba, there are factories for shoes, hats, foodstuffs, drinks, furniture, flour, sugar mills, soap makers, brick and tile kilns. Cloth factories are also increasing.

The iron and glass works and metallurgical foundries are few and unimportant and far from sufficient for local needs. The automobile shops are merely repair places and where the finished parts are put together.

Cloth for uniforms is made principally in Argentina.

At the main war arsenal in Buenos Aires repairs are made in the limited foundry for all their war materials. Small arms, ammunition, cartridges, lances and bayonets are made, and the boring and finishing of rifles is accomplished.

All main war material has been purchased from Germany and France, principally the former, the last investment in cannon having been made in 1911.

There are no shipbuilding yards in Argentina, but repairs of major importance can be made in Buenos Aires, Rosario and La Plata.

4. TRANSPORTATION

Highways. Argentina is devoid of any system of highways as is known in the United States. There is an excellent stone road from Buenos Aires to La Plata, 53 kilometers; from Buenos Aires to Tigre, 38 kilometers; and from Buenos Aires to Campo de Mayo (headquarters of the 2nd Army Division.)

Although Buenos Aires with a population of about 1,800,000 inhabitants and about one fourth of the total population of Argentina it has no highway connection except the three roads named above, that can be called such with the rest of the Republic. In the summer when there has been no rain, it is possible to leave Buenos Aires for the interior over the dirt roads, but after a rain and in the winter time the roads are impassable. This is true of almost the whole of the Province of Buenos Aires.

Around Cordoba where the soil is sandy, and in the southern territories where transportation is unimportant, travelling is not so difficult. All roads with a few exceptions are dirt, and most of them natural. The hauling of crops to the railway stations is tending to improve the roads, but slowly. The Automovil Club Argentino is attempting to awaken enthusiasm in road building. Wagon transportation is generally used, frequently oxen drawn. Pack transportation is rarely met with.

Railroads. In 1915 Argentina held ninth place in the world for railway extension, being exceeded by the United States, Germany, Russia, British India, France, Austria, Canada and the British Isles, and its railways represent 2.97% of the world's total. As much of Argentina-----the southern and western portions are uninhabited-----and probably will remain so, it will never achieve a place for railway density per square kilometers.

The railway center is Buenos Aires to which all railways converge with the exception of a very few in the far north and the far south. To Buenos Aires are brought the cereals and meats from the agrarian and pasture lands of the interior. The cost of transportation is high. From the railway map it is interesting to note that many lines crossing the Province of

Buenos Aires to reach the Federal Capital where 80% of the exports are made---the great economic center. The railway system is inadequate for commercial purposes.

Of the 19 Argentine railways, 10 are British owned, 5 State, 3 French and 1 Argentine capital. Total length 35,300 kilometers.

The private lines are well maintained, the State ones---fair.

Fuel is oil, mostly imported from Mexico; coal from the United States and England, and wood from the North Chach.

The strategic railways are: Buenos Aires Great Southern and Buenos Aires and Pacific to Bahia Blanca on the Atlantic Ocean, where the military port is located. Distance from Buenos Aires, 640 kilometers.

Buenos Aires Great Southern to Mar del Plata on the Atlantic Ocean where the new commercial port is being built. Distance from Buenos Aires, 399 kilometers.

Buenos Aires and Pacific to the Chilean border via Mendoza. Distance from Buenos Aires, 1049 kilometers.

The Buenos Aires Great Southern, Buenos Aires Western, La Plata to Meridiano 5°, and the General Company of Railways in the Province of Buenos Aires to La Plata. Distance from Buenos Aires, 53 kilometers. These railways are probably the most strategic in the Republic, as it is thought if an attack would be made by sea it would probably come via La Plata rather than by the Atlantic seaports.

There is also the North Eastern Argentine and the Entre Rios to Concordia and Posadas. Distance from Buenos Aires 544 and 1142 kilometers respectively. These railroads skirt along the Uruguayan River, and boundary between Argentina and Uruguay and Brazil.

Troops could be easily moved into Buenos Aires but it would be more difficult to despatch them to strategic points.

There is little development in branch and secondary lines, and overdevelopment in trunk lines. This in 1915 on a total of 33,710.390 kilometers of line, only 14,159.063 or 42% were branch lines.

The narrow gauge lines are 1000mm. and rolling stock for them includes 1,109 engines; 911 coaches; 772 baggage vans; 1,933 and 1,933 cars for livestock.

The medium gauge lines are 1435mm. Rolling stock totals 195 engines; 180 coaches; 121 baggage cars, 494 cars for livestock.

The broad gauge lines are 1676 mm. Rolling stock is 2,604 engines; 2,131 coaches; 1893 baggage vans; 4,675 cars for livestock.

In the year 1921 the private railways in Argentina moved a total of 32,054,009 tons of freight as against 41,505,000 tons of freight (~~as against 41,505,000 tons~~) in 1920 the difference being mainly represented by cereals, cattle and pastoral products for the broad and medium gauge lines, and by fuel and forestal products on the narrow gauge systems.

On the other hand the number of passengers carried by the private lines showed an increase as compared with the previous year, the total of 85,434,836 passengers carried in 1921 being more than 5,000,000 in excess of the 80,111,000 carried in 1920.

There are two electrified lines in Argentina; the suburban line from Buenos Aires to Tigre of the Central Argentine Railroad Co., a distance of 28 kilometers, and the suburban line from Buenos Aires to Moreno a distance of 36 kilometers on the Western Railroad Line.

There is also an electrified cargo tunnel under the city of Buenos Aires, length 5 kilometers, belonging also to the Western Railroad.

For its electrified section the Buenos Aires Western Railway built a power station at the South Dock of the City

of Buenos Aires on a strip of land between the dock and the River Plate enabling circulating water from the condensers to be drawn from the dock and sent into the river, so that an unlimited supply of cold water is always assured.

As yet no attempt has been made to harness the power of Iguazú Falls.

In September 1919 there were at least four railroad plans for concessions being actively exploited:

- One from Salta west across the Andes to Mejillones
- One across the Andes at a lower part
- One into southern Bolivia from Embarcación
- One from the Chaco Territory and Formosa to the Pilcomayo River.

On October 7, 1920 the Pacific Railway began the construction of an extension of the line from Stroeder to Carmen de Patagones (to the south of the Province of Buenos Aires) a distance of about 40 miles. This was completed and opened to the public in 1921.

Construction work on which the Government is engaged at present on the various state railway lines is as follows:

- Salta to Chile-----work has been done for 176 kilometers from Salta. Rails having been laid for 90 kilometers.
- Kil.448 to Bariloche----development line.
- Embarcación to Yacuiba----earth has been moved for 60 kilometers and work is well advanced over an additional 30 kilometers.
- Catamarca to Tucuman----line practically completed up to kilometer 40.
- Federal to Curuzu-Cuatia----work well in hand---line of considerable strategic importance.
- San Antonio to Patagones----Cuts and fills being made.
- Rosario de la Frontera to Antilla-----Only 15 kilometers of rails are required to link up the two sections under construction of this line.
- Puerto Madryn to Col. 16 de Octubre---Development line.
- La Banda to Santiago del Estero---Bridge under construction.
- Metán to Barranqueras-----development line.
- Kil.448 to Epuen-----development line.
- San Nicolás to Arroyo Dulce-----25 kilometers have been built. Line of considerable importance as it connects La Violita with the Central Córdoba Railroad and at Arroyo Dulce with the Cia. General Buenos Aires.

Milagro to Quinas

San Juan to Jachal-----Excavations up to Kil.33 and removals of earth to Kil.24.

Sapala to Chile.-----Surveying work is being carried on.

Connections between the railroads are very bad, practically non-existent due to preponderance of trunk over branch lines. Generally speaking to go from one section of the country to the other the passenger must return to Buenos Aires and travel on an entirely different line.

There is a good railroad service between the centers of industry such as Buenos Aires, Rosario and Tucuman, all of which are on trunk lines.

Cost of transportation is very high.

Rivers and canals

The eastern part of Argentina is well supplied with important rivers.

The Paraná rising in Brazil is 4500 kilometers long and at times 7000 meters wide. Its principal tributary is the Paraguay 2000 kilometers in length. During high water boats drawing 12 feet can reach Asunción, Paraguay and in low water

6 feet without dredging.
Rosario is the second city of Argentina and is on the Paraná River.

Boats with a draft of 18 ft. at certain times can proceed up the Paraná as far as La Paz, Entre Rios, after this the depth of the river limits the draft to 12 or 13 feet at high water and 7 at low water.

The Paraguay river is navigable for boats of 12 feet during high water and 6 feet during low, and for 9 feet during the greater portion of the year as far as Asuncion. From there during certain times of the year around high water 7 feet can be carried to the junction of the San Lorenzo and the Cuyaba rivers in Brazil a distance of about 1,600 miles from Buenos Aires.

The Uruguay River forms part of the boundary between Argentina and Brazil and Uruguay and is of great importance economically. It carries a depth of 20 feet at high water and 15 feet at low water to Concepción del Uruguay at a distance of 176 miles from Buenos Aires. The town of Salto in that district 257 miles from Buenos Aires is considered the head of navigation.

The west central section of Argentina has a few rivers which either empty into the Paraguay and Paraná or into salt lakes. They are not important economically.

The Rio Negro is the most important river in the south. Its average width is 200 meters, depth 4 meters and length 640 kilometers, and it is navigable as far as Lake Nahuel Huapi in the Andes where it rises. It is destined to play an important part in the construction of the Vidal Basin where it is intended to irrigate 100,000 hectares.

The Colorado river's 550 kilometers are navigable for 65 kilometers for boats of ordinary draft.

Floods are very common during wet seasons in Cordoba, Entre Rios and Buenos Aires provinces. Drought is disastrous for the crops and animals.

Shipping

Travel and freight routes between Europe and the United States and Argentina ports are as follows:

Steamship Lines from New York

Munson Line

Sailing fortnightly. Stops at Montevideo and Rio Janeiro.

Lamport and Holt Line

Sailing monthly approximately. Stops at Montevideo, Rio Janeiro and Barbadoes.

Steamship Lines from New Orleans

Osaka, Shosen Kaisha

Sailing monthly. Stops at Santos, Rio and Havana.

Steamship Lines from San Francisco.

Pacific Argentine Brazil Line

Sailing approximately monthly. Stops at Montevideo.

Steamship Lines from Europe

Royal Mail Steam Packet Co.

Sailing weekly. "A" boats sail from Southampton and "D" boats from Liverpool. Stops at Montevideo, Santos, Bahia, Rio, Pernambuco, Dakar, Funchal and Lisbon.

Donaldson Line.

Sailing weekly from Glasgow (irregular)

Nelson Line.

Sailing weekly from London and Liverpool. Stops at Boulogne, Vigo, Lisbon, Rio, Montevideo and Buenos Aires.

Sud Atlantique

Sailing weekly from Bordeaux. Stops at Lisbon, Dakar, Las Palmas, St. Vincent, Rio.

Soc. Generale Transports Maritimes

Sails from Marseilles.

Royal Holland Lloyd.

Sails from Amsterdam fortnightly. Stops at Rotterdam, Cherbourg, Southampton, Vigo, Lisbon, Rio Janeiro and Montevideo. Hamburg South America.

Stops at Boulogne, Lisbon, Rio and Montevideo.

Transportes de Portugal

Sailing irregular. Stops at Hamburg, Lisbon, Pernambuco, Rio Janeiro and Montevideo.

Hamburg America North German Lloyd.

Transatlantica Italiana

Sailing every second month from Genoa.

Lloyd Italiano

Sailing fortnightly.

La Italia

La Veloce

Navigazione General.

Sailing fortnightly. Stops at Rio and Montevideo.

Lloyd Sabaud

Sailing fortnightly.

Societa Triestina Navigazione

Sails from Trieste approximately monthly.

Compania Transatlantica

Sails from Barcelona approximately monthly. Stops at Almeria, Cadiz, Las Palmas, Rio Janeiro, Montevideo.

Pinillos, Izquierdo & Cia.

Sails approximately monthly.

MacIver Line

Sails fortnightly, from Liverpool. No stops.

Houlder Line

Sails weekly from Liverpool and London. No stops.

British Royal Belgian Lloyd.

Sails from Antwerp, irregular. Stops at Vigo, Lisbon, Rio Janeiro and Montevideo.

Steamship Line connected with Chile.

Cia. Importadora & Exportadora de la Patagonia

Sailings intermittent.

Pacific Steam Navigation Co.

Sailings intermittent. Stops at Punta Arenas, Talcahuano and Valparaiso.

Local Steamship Companies

Compania de Navegacion Mihanovich.

Sailing thrice a week to Asuncion stopping at all river ports.

Sailing nightly to Montevideo.

Buenos Aires to Carmelo, 3 times a week

Buenos Aires to Salto, 3 times a week

Buenos Aires calling at Rosario, Montevideo, Antonina (Brazil) Paranaguá (Brazil) and San Francisco do Sul (Brazil.)

sailing intermittent.

Buenos Aires calling at Rio Grande (Brazil) Pelotas (Brazil) Porto Alegre (Brazil) and Montevideo. Sailing intermittent.

Lloyd Americana Sud America

Buenos Aires to Porto Alegre (Brazil) with stops. Sailing intermittent.

Buenos Aires to Patagonian ports. Sailings intermittent.

Importadora y Exportadora de la Patagonia

Stops at Montevideo, San Antonio, Puerto Madryn, Piramides, Cabo Raso, Camarones, Bahía Bustamante, Comodoro Rivadavia, Caleta Olivia, Mazaredo, Cabo Blanco, Deseado, Bahía Laura, San Julian, Santa Cruz, Rio Gallegos, Punta Arenas y Tierra del Fuego.

5. COMMUNICATIONS

Cable. All America Cables Inc. from Buenos Aires to Valparaiso where connections are made with the well known All America Cable system from Valparaiso to the United States. 3 cables.

Western Telegraph Co. has one cable which goes from Palo Blanco to the Island of Ascension where it connects with what is known as the "Via Madeira" route. Palo Blanco is connected with the Western Telegraph Co.'s office in Buenos Aires by underground cable. 1 cable.

River Plate Telegraph Co. has one single core cable and one tri-core cable between Punta Lara and Colonia (Uruguay). From Colonia there are two aerial lines to Montevideo and two single core river cables from Colonia to Punta Yegua in the Department of Montevideo, thus working four conductors between Buenos Aires and Montevideo. 1 single core cable and 1 tri core cable.

The Pacific and European Telegraph Co. owns and operates a land line from Buenos Aires to Valparaiso across the Andes which consists of two aerial iron wires. These three companies the Western, River Plate, P & E. are all under one management and belong to what is known as the Associated Companies of England and form part of the great Eastern Telegraph Company's system. 1 land line.

The Cia. Telegráfica Telefónica del Plata have six cables across the River Plate to Punta Lara and to Colonia. This company does both telegraph and telephone business between Buenos Aires and Montevideo. 6 cables.

The Cia. Telegráfica Telefónica Nacional is under the same management as the Cia. Telegráfica Telefónica del Plata (owned and controlled by German capital and management) has a system of telegraph and telephone wires between Buenos Aires and Rosario (Prov. of Santa Fé).

Wireless.

Under existing laws in Argentina, privately owned radio stations are permitted only for intercontinental communications. All others are under the Ministry of War and Marine. The Ministry of Marine controls all stations located within 100 miles of the sea on the River Plate and within 50 miles of either bank of navigable rivers.

For these reasons 35 of the 41 existing stations of the Army and Navy are used for commercial traffic, and authorizations for new stations are granted for commercial reasons as well as on military grounds.

There are also 78 ship stations.

The Government has granted four concessions to different foreign companies to install and work within the maritime zone high powered radiotelegraph stations. At present all the concessions granted have been amalgamated into one working company under the name of Transradio Internacional. In this company the American, English, French and German companies have an equal interest, control of the company being by majority of votes.

The station will have sufficient power to maintain direct communications with corresponding stations in the United States (New York Central) England (Carnarvon) France (Sainte Assise) and German (Nauen).

Telegraphs

In Argentina there is the National Telegraph (Government owned and controlled) system, the State Railways telegraph lines, viz: Argentine Central Northern Railway, Eastern Railway (from Diamante to Crespo) Railway from Formosa to Embarcación, Railway from Puerto Desierto to Colonia Las Heras, Railway from C. Rivadavia to Comodoro Sarmiento, Railway from San Antonio Oeste to Lake Nahuel Huapi.

There is also the Telegraph of the Province of Buenos Aires, the National Telegraph and Telephone Co., General Railway Co. of the Province of Buenos Aires, the Southern Railway, the Western Railway, the Pacific Railway, Transandine Railway, Central Argentine Railway, Cordoba Railway, Central Buenos Aires Railway,

Rosario to Puerto Belgrano Railway, Santa Fé Provincial Railway, North Eastern Argentine Railway. The provincial telegraph systems which do not go beyond the boundary of the respective provinces.

Telegraph of the Province of Entre Rios

Entre Rios Railway

Buenos Aires Midland Railway

La Plata to Meridiano V° Railway

The total extension of telegraph lines is.....87,769 kms.

" " development of " " " 272,886 "

The service reaches practically every part of the country and is fairly efficient.

Telephone.

The Unión Telefónica (British) is the principal company operating in Buenos Aires. The second company, the Cooperativa, is unimportant.

In the interior of the Republic there are about 70 small independent companies operating with antiquated plant and equipment.

Nearly all the municipalities of the Province of Buenos Aires are connected with the Capital by telephone lines.

These lines are exploited by 21 companies. 100,014, 015 meters have been put up with 267 stations. These lines are attended by 694 men and 711 women. The number of subsections is 28,258.

Postal Service.

Argentina had approximately 3,593 postal stations in 1919, and the service is tolerably good considering the difficulties of communication once away from the railroad lines.

5. FINANCE.

Income and Expenditure- National Indebtedness.

The total Government Budget for 1922 (last) was \$568,298,076.⁵⁷ m/n (approximately \$240,000,000 U.S.)

The total receipts for 1922 were \$440,800,000 m/n (approximately \$186,000,000 U.S.) and the total expenditures were \$631,470,000 m/n (approximately \$287,000,000 U.S.) giving a deficit of \$190,670,000 m/n (approximately \$80,000,000 U.S.) The net deficit in 1921 was \$63,100,000 m/n (approximately \$26,000,000 U.S.). Figures for 1920 and 1919 are not available.

The paper money in circulation is \$1,362,503,073.50 m/n (approximately \$570,000,000 U.S.) covered by a gold reserve of \$466,476,969.22 (approximately \$452,000,000 U.S.) in the Caja de Conversion.

The funded external debt approximates \$260,000,000 U.S.; funded internal debt is approximately \$270,000,000; the floating debt is about \$470,000,000. The approximate total is \$1,000,000,000 U.S. The Government debt per capita is about \$111.00 U.S. The present national wealth is estimated at 35 billion pesos m/n or approximately \$14,830,000,000 U.S. and this is about \$1,648 U.S. per capita.

Taxation.

It cannot be said that taxation is levied economically or intelligently. In proportion the poorer classes are overtaxed. Customs at present produce about 80% of the income. In 1920 income was as follows: Imports 38%; exports, 26%; internal revenue 19%; revenue stamps 7%; and miscellaneous 10%. The President recently proposed 50% increase on Customs valuation. There is no income tax.

Principal financial institutions, connections and control.

The Minister of Finance is at the head of the financial system. Under him is the Banco de la Nación and the Caja de Conversion. He has charge of printing the paper money and the mint, but no gold has been coined since 1880, coinage being limited to 5, 10 and 20 cent pieces. Customs receipts have increased enormously under the present administration.

The Government grants charter prescribing functions of banks, and requires submission of two monthly statements and reserves right to inspect any bank. Each bank may decide on its own reserve requirements. The banking system is excellent.

The principal banks besides the Banco de la Nación are:

First National Bank of Boston (branch)	"
National City Bank of New York	"
London and River Plate Bank	"
Anglo South American Bank Ltd.	"
London and Brazilian Bank	"
Royal Bank of Canada	"
Banco Español del Rio de la Plata	"
Banco Francés del Rio de la Plata	"
Nuevo Banco Italiano	"
Belgian Italian Bank	"
Banco Aleman Transatlántico	"
British Bank of South America	"
Banco de la Provincia de Bs. Aires	"
Banco Holandés de la America del Sud.	"

Tornquist & Cia. Ltda. (private)

There are a large number of other and less important banking institutions, provincial and private.

The state of the banks on March 31, 1923 was as follows:

B. FINANCE (continued)

	<u>Gold pesos</u>	<u>Approx. U.S.</u>
<u>Banco de la Nación.</u>		
Total deposits	\$2,393,355	\$2,200,000
Cash reserves	22,985,582	22,000,000

Paper pesos

Total deposits	\$1,358,352,939	\$570,000,000
Discounts and advances	991,736,225	420,000,000
Cash reserves	357,148,970	150,000,000

Other banks

Gold pesos

Total deposits	7,793,451	7,400,000
Discounts and advances	4,138,267	4,000,000
Cash reserves	34,246,425	33,000,000

Paper pesos

Total deposits	3,466,920,349	1,480,000,000
Discounts & advances	2,866,420,796	1,112,000,000
Cash reserves	999,638,750	420,000,000

Recently there has been a gradual increase in the value of the checks passing through the Clearing House in the Federal Capital, and in the interior of the Republic, which indicates an expansion in commercial movement.

Financial Stability.

Argentina's financial system is very firm and logical backed by its huge gold reserve in the Caja de Conversión which has been closed since August 1914. With the exception probably of the United States and Great Britain it is more stable than any other country in the world.

At the present time the exchange is not so favorable, probably due to heavy imports from the United States. It has been steady since April 1922.

Military Finance.

All money appropriated for military purposes is by the Federal Government-----none by the provinces, communities or associations. In 1922, \$97,087,050.16 paper (approximately \$41,000,000 U.S.) was appropriated for the Army, and \$44,978,257.54 paper (approximately \$19,000,000 U.S.) for the Navy.

7. MAN POWER.

By the census of 1914 (latest official figures) Argentina showed a population of approximately 7,905,503. In 1921 the population was given as 8,832,483 and for 1933 was estimated at 9,000,000.

Birthrate decreased from 1911 to 1920, and for that year was given as 31.0 per mil.

The percentage of urban and rural population as per National Census was

	Urban	Rural
1895	45%	55%
1914	57%	43%

Emigration is confined to the "swallow" emigration of Italians and Spaniards who come for the harvest season.

Immigration is considerable, giving an average of about 10,000 immigrants a month during 1933. The source by order of number being Italy, Spain, Germany, Poland, Britain, France and Syria.

The density of the population per square kilometer is 2.7.

Figures for 1914 show the following percentages as regards race:

native70%
foreign.....30%
Indian.....less than 1/4
negro....." " 1/2

Death rate per mil is given as 30% above that of the United States.

Figures for 1918-1919 show annual increment as 9.85%

Unemployment is practically non-existent except normally speaking.

Social reactions resulting from economic situation are very few strikes, and the almost uniform maintenance of the 8 hour day without there being any law imposing it.

There is more poverty and want than would appear to be justifiable in view of the large unpopulated territories and rich resources of the country.

According to the Census of 1914 the total number of illiterates in the Republic was 2,313,915 and the semi-illiterates 173,096 (over 7 years of age). This is on a total population of 7,905,503.

Prevalent diseases are tuberculosis, malaria, syphilis and leprosy. Cancer is also very common.

Sanitation and health are improving slowly, and dispensaries are being established through Buenos Aires and the provinces for tuberculosis and syphilis.

A large proportion of immigrants remain in the city of Buenos Aires.

8. ECONOMIC PENETRATION OF FOREIGN INTERESTS

As in other South American countries the great mass of importation and exportation is carried on and controlled by foreign enterprises as well as the organization and direction of railroads, packing plants, public service enterprises such as railroads, telegraph, telephones, tram lines, etc.

The British own and control most of the railroads, American capital controls the packing plants, telegraph and radio lines, and the British also own the telephone service, tram service etc. The electric light service is owned by an Italian company and another by a Spanish-German Co. The water works are British owned and operated.

France has considerable investments in railroads, and industrial concerns, and the Netherlands and Belgium both have banks.

9. ARGENTINE ECONOMIC INTERESTS IN FOREIGN COUNTRIES.

Negligible.

10. BEARING OF ECONOMIC SITUATION ON INTERNATIONAL POLITICAL SITUATION.

Argentina's general aims are preponderance in South American affairs, and important policies or doctrines are fashioned towards that end; however, there is no suspicion of a policy of aggression. Her most serious international problems are of an economic and financial nature, resulting from her loss of world markets, and from the generally disturbed economic and financial conditions left by the War.

International relations are good. There is only a slightly suspicious attitude towards Chile and Brazil, much more evident in the press ("La Prensa") in particular, than in the attitude of the man in the street.

Economic relations or competition with immediate neighbors can be summed up as follows:

Chile Argentina and Chile were more or less associated in the past by a common antagonism to Brazil, and a policy of neutrality and pro-Germanism during the War. However, this Argentine-Chilian rapport no longer exists and Argentina's sympathy has gradually drifted away from Chile towards Peru and Bolivia. Argentina feels particularly antagonistic towards Chile at present for bringing up the question of limitation of armaments at Santiago.

Brazil Argentina and Brazil are not in accord and regard each other with distrust and jealousy, as both aspire to be leader in South American affairs. Both countries desire to extend their influence in Paraguay and Uruguay although neither one seems inclined to press this matter to the point of a serious quarrel.

Peru and Bolivia Argentina seems to favor Peru and Bolivia of late and to desire closer commercial relations with these countries, and is endeavoring to strengthen these relations by political friendship.

It cannot be said that there is any definite economic competition between Argentina and her neighbors.

Argentina has been particularly free from the heritage of Colonial boundary disputes which have predisposed the other South American states to dissention and war. However, she has become indirectly drawn into the political discussions resulting from the alignment and grouping of other nations and factors, precipitated and continued by the long-drawn out "Question of the Pacific" controversy involving Peru, Chile and Bolivia. However, Argentina has no serious political disputes to settle as she has been particularly careful to keep clear of entangling alliances. There are minor border questions under consideration with Bolivia, Paraguay and Uruguay.

11. GENERAL CONCLUSIONS.

Until recently so great was faith in the potential wealth of the country that were it not for foreign capital and endeavor, the Argentines made little or no effort to develop their country's resources. Cattle increased and multiplied, crops grew and were harvested without much work being necessary, and until after the war a ready market was always available and loans for Government expenditures and public works were procured without difficulty. The war's aftermath of saturated or closed markets, brought about the realization that to place the economies of the country on a sound basis much hard work is needed.

Argentina is far from developed and potential resources in oil, mines, water power, etc. have barely been scratched.

11. GENERAL CONCLUSIONS (continued)

The country is self-supporting as far as food and raw materials are concerned, but is absolutely dependant on importation for machinery and manufactured goods. It has a great surplus of meats, cereals and vegetable and animal raw materials for export.

The livestock situation is very acute at the present time and the Minister of Agriculture is besieged by different interests urging him to alleviate the situation. Livestock raisers are very bitter against the foreign packers due to tremendous fall in prices and lack of demand for cattle. The grain situation is easier.

Stock raising and cereals----the wealth of the country---constitute its internal question, and it is endeavoring to find markets for its surplus products.

The basis of the Government system is excellent, but its machinery is clogged by politics. The present Government is making great efforts, but it is generally admitted that the hands of the President and his Cabinet are practically tied by the intrigues of the previous administration and the Radical Party.

The Argentine people are progressive and are rapidly advancing in their position in the society of nations.

Argentina has a heavy foreign debt of approximately \$809,000,000 Argentine gold. It also has an annual deficit, which affects economic situation adversely.

There is no real conception of what economy in expenditure means. Bureaucracy, favoritism, and political jobs are deeply rooted habits in the administration, and though occasional and half-hearted parings are indulged in, the growth flourishes.

Transportation facilities are good on the whole, but due to high tariffs, prices soar between producer and consumer. Many things imported from abroad are cheaper than produced in Argentina.

British, American, German, French and Italian capital controls the railways and public utilities.

Immigration is particularly needed by the country, but there is no fiscal land available.

12. CURRENT SITUATION

Argentina like Brazil is a heavy exporter of food and raw materials and a heavy importer of manufactured articles.

Her manufactories are not increasing to a very marked degree as fuel and minerals are lacking, and it is cheaper to import manufactured goods. However, cloth, shoes and hat factories are increasing rapidly and are producing as much as can be consumed.

At the present time Argentina's production of raw materials is not increasing as she is having difficulty in finding a market for her goods---cattle and cereals.

There have been only two foreign loans since the beginning of the World War both from the United States. One was for 50 million dollars and the other for 27 millions. The terms were reasonably favorable. The Executive now recommends an internal loan for \$700,000,000 paper by Argentina.

The old and stubborn tendency to look to additional loans from abroad to remedy matters has not changed, which tendency has caused a failure during recent years of prosperity to consolidate the floating debts out of the savings of the people by means of domestic rather than foreign loans.

Short term loans are occasionally cancelled or renewed, and the Provincial Governments and the Municipality of Buenos

12. CURRENT SITUATION (continued)

Aires do not hesitate to negotiate loans with the object of using the proceeds for public works said to be reproductive, and even for works of an ornamental character with an entire lack of realization of the country's financial position.

There is a budget system but it does not prevent an annual deficit.

The financial situation at present is more complicated than it has been for years, national and provincial finances being in a somewhat critical situation. The country's debt is enormous in comparison with present ability to pay. Unfunded obligations of the Government including short term American loans aggregate 809,000,000 pesos m/n.

The financial and exchange situation at present is not favorable due to heavy imports from abroad especially from the United States.

The balance of trade in favor of the country during the following periods was:

1900 to 1907	488,265,062 gold pesos
1908 to 1914	418,383,454 " "
1915 to 1921	1516,465,795 " "

Imports and exports compare as follows:

1921 Imports.....	640,000,000 pesos gold
" Exports.....	670,000,000 " "
" Exports U.S. to	
Argentina.....	\$95,542,385 U.S.
" Imports from Arg.	
to U.S. 10 months 1922	
	\$67,528,812 "

No figures are available for 1922.

Transportation facilities are adequate, and are being improved slowly especially towards the Andes.

Argentina offers a practically unlimited field for the profitable investment of foreign and particularly of American capital. Oilfields, mines, industrial and electrical plants, telephones, wireless, water power, railroads, etc. are only in an embryonic stage of development taking into consideration the potential wealth and size of the country. It is but a question of time, the breaking-up of large land holdings, increased population favored by better conditions for settlers, farmers, small capitalists, etc.

Argentina has no foreign problem or complication, having only a certain uneasiness towards Brazil and Chile as the result of the recent 5th Panamerican Conference on the disarmament question.

While the attitude of the Government towards the United States is friendly, public opinion is very unfavorable, particularly since the sending of a Naval Mission by the United States to Brazil. The present serious exchange situation is blamed on American banking circles. Argentina's diplomatic representatives throughout Latin America as a rule are anti-American in sentiment. This was the case in Mexico and Central America in particular, and Argentina watches very closely all United States policies and relations with other Latin American countries. She is resentful of United States mediation in South American affairs, wishing to be the leader herself.

President Alvear, the nominal but not the real head of the Radical Party (which is split) announced his intention to run the Government strictly according to the Constitution and his constitutional rights, and intimated as much to ex-President Irigoyen, the real head of the party and would-be power behind

12. CURRENT SITUATION (continued)

the throne. In political circles it is still a question whether President Alvear will have the strength of will and sufficient support to carry out his plans despite opposition.

The country's national spirit is pride in her rapid development and economic importance. She is therefore pro-Argentina and independent in attitude, and all achievements of a political, artistic or sporting nature contribute to feed the sentiment of nationalism.

Sanitation is improving slowly and quite some effort is being made by the Government in this direction.

In general the Roman Catholic Church has no influence at all. Religion in Argentina is more the acceptance of dogma than anything else.

G-2 REPORT

4-1 1925 2655-65 JUN 15 1925

R E P L A C E

WAR DEPARTMENT

SUBJECT ESTIMATE OF THE ECONOMIC-MILITARY SITUATION

(FOR INFORMATION DIGEST)

From ARGENTINA

RECEIVED G. 2 1925 JUN 11 1925

No. 3451

Date

May 15

1925

Replying to No.

Date

19

1. GENERAL ECONOMIC CHARACTERISTICS AND IMPORTANCE.

The Argentine Republic is situated in the southern part of South America, between 21° 30' and 54° 53' south latitude and between 52° and 73° west longitude. Total area: 2,797,113 sq. kms.

It is bounded on the north by Bolivia, Paraguay and Brazil; on the east by Brazil, Uruguay and the Atlantic Ocean, on the south by the Atlantic Ocean and Chile; on the west by Chile.

Its population is estimated at 9,500,000 having approximately 13th place in the world, but it has only 2.7 inhabitants per square kilometer.

Argentina has boundary questions pending and under discussion with Bolivia, Brazil, Paraguay and Uruguay, but none of them are acute.

The country is not well watered except along the valleys of the principal rivers: the Paraná; the Paraguay which flows into the Paraná; the Uruguay; the Plate, formed by the Paraná and the Uruguay; the Negro, Colorado and Chubut. They all flow south or southeast and empty into the Atlantic Ocean.

With the exception of the Andean Cordillera between Argentina and Chile and Bolivia, Argentina has no highlands, but the three denominated Central, Southern and Misiones whose locations are as indicated, and of such a character that they form no obstacle to traffic and communications. The Andean range only is a formidable obstacle for traffic, but this is gradually being overcome by engineering science. There are numerous passes and when the new railway line through the Pino Hachado Pass to Chile is completed, communications will be greatly improved as this pass is open the entire year. The rest of the country is an immense low level plain denominated the Pampa.

Economically Argentina is divided into three zones:

1. Northern which includes all the northern provinces and territories. It contains about 1.8 inhabitants per sq. km. and about 17.5% of the total population. The climate is warm, soil sandy, water somewhat saline, and rains more in the east than in the west. The population is more marked here with the Indian blood than in the central region. The negro strain is very slight, but still more marked than in any other point of Argentina.

The principal products are sugar cane, peanuts, cotton, yerba mate, manioc, alfalfa, maize and wheat.

2. Central which occupies all the central part of the Republic from the Atlantic Ocean to the Andes. It contains

about 5.2 inhabitants per sq. kilometers, or about 83.4 of the total population. The climate is temperate, rains being more regularly distributed especially in the east, and the soil is fertile. The population is mostly pure white (Spanish and Italian) with the strain of the Indian.

The principal products are wheat, maize, flax, alfalfa and fruits, especially grapes in the west. This is the great cattle section, the principal industry of Argentina. Also as of extreme secondary importance, it is the industrial region.

3. Southern occupying the entire southern part of the Republic. It contains about 11% of the population and about .1 inhabitant to the square kilometer. Here the climate is cold, the winds persistent, and soil unproductive except along the river banks. The inhabitants are mostly Scotch, Welsh and English. The Indians are along the Andean foothills.

This section is devoted mainly to sheep raising. Forests of good timber are found in the mountains.

The Argentine climate on the whole is very healthy except in the northwest where malaria prevails, but an attempt is now being made on scientific lines to stamp it out. In the south it is not unhealthy but severe and trying.

The intercourse between the northern and central zones is good by rail, and by water in the eastern part. There is no rail connection with the southern zone, and by water only via the Atlantic coast, and thence up the rivers.

The Argentine coastline is about 2500 kilometers long bordering on the Atlantic Ocean and the River Plate. The most important seaports are Buenos Aires, La Plata (both on the River Plate which is about 40 kilometers wide at these points), and Bahia Blanca. Here are good docking facilities, basin, piers, marine railways, etc., and railways for freight and passengers to all parts of the Republic except the south. The channels of Buenos Aires and La Plata are about 27' deep, and that of Bahia Blanca about 30', are good, but are kept open by continuous dredging.

2. PRODUCTION, RAW MATERIALS AND FOOD, OUTSTANDING SURPLUSES AND DEFICIENCIES, FOREIGN MARKETS FOR SURPLUSES. SOURCES FROM WHICH DEFICIENCIES ARE SUPPLIED. SPECIAL ATTENTION TO BASIC WAR MATERIALS.

Argentina can and does easily feed herself. While fresh fruits are imported from the United States and Brazil, and canned food from the United States and Europe, these are not at all necessary for the life of the nation.

The country's exports are large and are almost wholly confined to wheat, corn, linseed, frozen and chilled meats, hides, wool, butter and quebracho. The United States, the United Kingdom, Belgium, France and Italy are the heavy buyers.

The principal exports from Argentina have always been meats and agricultural products. The amounts for the years 1922 and 1923 are given as follows:

(000's omitted.)

Products.	Gold Pesos		Metric Tons.	
	1922	1923	1922	1923
Animal	237,191	323,697	1,191	1,423
Agricultural	410,496	413,697	8,336	8,624
Forestral	16,347	17,761	290	320
Others	11,973	16,184	350	570

Argentina's imports are mostly wholly manufactured goods--- textile materials and manufactures; raw and manufactured iron and steel, including machinery, motor cars and steel rails, various foods, coal, cements, chemicals, petroleum products, timber, jewelry, paper, locomotives, electrical and agricultural machinery, beverages and tobacco.

Imports from the leading importing countries are as follows:

<u>Country of Origin</u>	<u>1923</u>
United States	104,941,773 Gold \$
United Kingdom	104,960,739 " "
Germany	63,193,100 " "
Italy	33,103,861 " "
France	29,374,329 " "
Belgium	23,908,941 " "
Brasil	23,451,215 " "
Mexico	15,553,269 " "

Estimated total imports for
1923..... 868,430,096 " "

3. INDUSTRIAL EQUIPMENT. MANUFACTURING CAPACITY. PARTICULARLY IN RESPECT TO WAR MUNITIONS, SHIPBUILDING CAPACITY.

Argentina having developed no mineral fuel or water power or metals, and its vegetable and animal raw materials being limited in kind, it is everything but a manufacturing country. In Buenos Aires, however, and to a far less degree in Rosario and Cordoba, there are factories for shoes, hats, foodstuffs, drinks, furniture, flour, sugar mills, soap makers, brick and tile kilns. Cloth factories are also increasing.

The iron and glass works and metallurgical foundries are few and unimportant and far from sufficient for local needs. The automobile shops are merely repair places and where the finished parts are put together.

Cloth for uniforms is made principally in Argentina.

At the main war arsenal in Buenos Aires repairs are made in the limited foundry and for all their materials of war. Ammunition, cartridges, lances and bayonets are made, and the boring and finishing of rifles is accomplished.

All main war material has been purchased from Germany and France, principally the former, the last investment in cannon having been made in 1911.

A Technical Armaments Board is now established to maintain up-to-date a general plan of armaments, which will study all the needs of the army. A Purchasing Commission is created abroad with the mission of executing the orders of the board. There are no shipbuilding yards in Argentina, but repairs of major importance can be made in Buenos Aires, Rosario, La Plata and Puerto Militar.

4. TRANSPORTATION.

Highways: Argentina is devoid of any system of highways known in the United States. There is an excellent stone road from Buenos Aires to La Plata, 53 kilometers; from Buenos Aires to Tigre, 38 kilometers; and from Buenos Aires to Campo de Mayo, headquarters of the 2nd Army Division.

Although Buenos Aires has a population of about 1,800,000 inhabitants, and about one fifth of the total population of Argentina, it has no highway connection, except the three roads named above, that can be called such, with the rest of the Republic. In the summer when there has been no rain, it is possible to go from Buenos Aires to the interior over the dirt

roads, but after a rain and in the winter time, the roads are impassable. This is true of almost the whole of the Province of Buenos Aires.

Around Cordoba where the soil is sandy, and in the southern territories where transportation is unimportant, travelling is not so difficult. All roads with a few exceptions are dirt, and most of them natural. The hauling of crops to the railway stations is tending to improve the roads, but slowly. The Automovil Club Argentino is attempting to awaken enthusiasm in road building. Wagon transportation is generally used, frequently oxen drawn. Pack transportation is rarely met with.

Railroads. In 1915 Argentina held ninth place in the world for railway extension. As much of Argentina---the southern and western portions---is uninhabited, and probably will remain so---it will never achieve a place for railway density per square kilometer.

The railway center is Buenos Aires to which all railways converge with the exception of a very few in the far north, and also in the far south. To Buenos Aires are brought the cereals and meats from the agrarian and pasture lands of the interior. The cost of transportation is high. From the railway map it is interesting to note the many lines that cross the Province of Buenos Aires to reach the Federal Capital where 80% of the exports are made---the great economic center. The railway system is inadequate for commercial purposes.

Of the 18 Argentine railways, 12 are private lines and 6 are owned by the State. Total length 35,870 kilometers.

Hereunder is given a table showing Argentine railways, their gauge, and length in kilometers.

ARGENTINE RAILWAYS.

Railway	Gauge Metres	Length in Kilometers.
State Railways.		
		(31-12-34)
Central Norte Argentino.....	1.000	5.028
Formosa	"	299
Del Este	1.435	168
San Antonio.....	1.676	452
Puerto Deseado.....	"	284
Comodoro Rivadavia.....	"	200
Total for State Railways....	---	6.429
Private Railways		
Province of Santa F.....	1.000	1.911
Cordoba Central.....	"	1.934
Comp. Gral. de la Prov. Bs.As....	"	1.369
Buenos Aires Midland.....	"	518
Entre Rios.....	1.435	1.173
Argentine North Eastern.....	"	1.313
Buenos Aires Central.....	"	470
Buenos Aires Great Southern.....	1.676	2.525
Buenos Aires and Pacific.....	"	4.196
Central Argentine.....	"	5.318
Buenos Aires Western.....	"	3.028
Rosario to Puerto Belgrano.....	"	826
Total for Private Railways....		29.441
All the Railways.....		35.870

INITIAL

The private lines are well maintained, the State ones—fair. Fuel is oil, mostly imported from Mexico; coal from the United States and England, and wood from the Chaco.

The strategic railways are: Buenos Aires Great Southern, and Buenos Aires and Pacific to Bahia Blanca on the Atlantic Ocean, where the military port of Puerto Militar is located. Distance from Buenos Aires, 640 kilometers.

Buenos Aires Great Southern to Mar del Plata on the Atlantic Ocean where the new commercial port is being built. Distance from Buenos Aires, 399 kilometers.

Buenos Aires and Pacific to the Chilean border via Mendoza. Distance from Buenos Aires, 1049 kilometers.

The Buenos Aires Great Southern, Buenos Aires Western, and the General Company of Railways in the province of Buenos Aires to La Plata. Distance from Buenos Aires, 53 kilometers. These Railways are probably the most strategic in the Republic, and it is estimated if an attack would be made by sea it would probably come via La Plata rather than by the Atlantic seaports.

There are also the North Eastern Argentine, and the Entre Rios Railways to Concordia and Posadas. Distance from Buenos Aires 544 and 1142 kilometers respectively. These railways skirt along the Uruguayan River which is part of the boundary between Argentina, Uruguay and Brazil. The strategic importance of these lines is being increased.

Troops could easily be moved into Buenos Aires, but it would be more difficult to despatch them to strategic points.

The narrow gauge lines are 1000 mm. and rolling stock for them includes 1,376 engines; 910 coaches; 806 baggage vans; 2,293 cars for livestock.

The medium gauge lines 1435 mm. Rolling stock totals 195 engines; 177 coaches; 137 baggage cars, 494 cars for livestock.

The broad gauge lines are 1676 mm. Rolling stock is 2,518 engines; 2,320 coaches; 1962 baggage vans; 4,592 cars for livestock.

In the year 1921 the private railways in Argentina moved a total of 27,698,297 tons of freight as against 35,438,348 tons of freight in 1920, the difference being mainly represented by cereals, cattle and pastoral products for the broad and medium gauge lines, and by fuel and forestal products on the narrow gauge lines.

On the other hand the number of passengers carried by the private lines showed an increase as compared with the previous year, the total of 88,482,547 passengers carried in 1921 being 4,875,356 in excess of the 83,607,191 carried in 1920.

There are two electrified lines in Argentina; the suburban line from Buenos Aires to Tigre of the Central Argentine Railroad Co. a distance of 28 kilometers, and the suburban line from Buenos Aires to Moreno a distance of 38 kilometers on the Western Railroad Line.

There is also an electrified cargo and passenger tunnel under the city of Buenos Aires, length 5 kilometers, belonging also to the Western Railroad.

Connections between the railroads are very bad, practically non-existent due to preponderance of trunk over branch lines. Generally speaking to go from one section of the country to the other the passenger must return to Buenos Aires and travel on an entirely different line.

There is a good railroad service between the centers of industry such as Buenos Aires, Rosario and Tucuman, all of which are on trunk lines.

The results of the workings of the railroads for 1924 have been very profitable both for State and privately owned roads, and with the improvements in their financial condition, they will be able to purchase new rolling stock, rails and other equipment. An increased number of branch lines and terminal

improvements are also well under way.
Cost of transportation is very high.

Rivers and canals. The eastern part of Argentina is well supplied with important rivers.

The Paraná rising in Brasil is 4500 kilometers long, and at some places 7000 meters wide. Its principal tributary is the Paraguay, 3000 kilometers in length. During highwater boats drawing 18 feet can reach Asunción (Paraguay) which is 1041 miles from Buenos Aires, and in low water, 8 feet without dredging.

Rosario is the second city of Argentina and is on the Paraná River, 262 miles from Buenos Aires.

Boats with a draft of 18 feet at certain times can proceed up the Paraná as far as La Paz, Entre Rios. After this the depth of the river limits the draft to 12 or 13 feet at high water, and 7 at low.

The Paraguay river is navigable for boats of 12 feet during high water and 8 feet during low, and for 9 feet during the greater portion of the year as far as Asunción. From there during certain times of the year around high water 7 feet can be carried to the junction of the San Lorenzo and the Cuyaba rivers in Brasil, a distance of about 1,600 miles from Buenos Aires.

The Uruguay River forms part of the boundary between Argentina and Brasil and Uruguay, and is of great importance economically. It carries a depth of 20 feet at high water, and 15 feet at low water to Concepcion del Uruguay at a distance of 176 miles from Buenos Aires. The town of Salto in that district, 257 miles from Buenos Aires, is considered the head of navigation.

The west central section of Argentina has a few rivers which either empty into the Paraguay and Paraná or into salt lakes. They are not important economically.

The Rio Negro is the most important river in the south. Its average width is 200 meters, depth 4 meters and length 640 kilometers, and it is navigable for small boats as far as Lake Nahuel Huapi in the Andes where it rises. It is destined to play an important part in the construction of the Vidal Basin where it is intended to irrigate 100,000 hectares of fruit and agricultural land.

The Colorado River's 550 kilometers are navigable for 65 kilometers for boats of ordinary draft.

Floods are very common during wet seasons in Cordoba, Entre Rios and Buenos Aires provinces. Drought is disastrous for the crops and animals.

Shipping: The following steamship companies operate from Buenos Aires to European and American ports:

<u>Line</u>	<u>No. Steamers</u>	<u>Sailings</u>	<u>Destination</u>	<u>Nationality</u>
Munson	4	Fortnightly	New York	American
Lamport & Holt	4		New York & Liverpool	British
Royal Mail				
Steam Packet Co.	8	Weekly	Southampton	British
			Liverpool	
Nelson Co.	6	"	Liverpool	British
Houlder Line	9	"	Liverpool	British
Cia. Transatlan-				
tica	5	Fortnightly	Naples, Genoa	Italian
Lloyd Latino	1	Every 2 mos.	Genoa	Italian
Lloyd Sabaud	8	Weekly	Genoa	Italian
Navigazione				
Generale				
Italiano	7	Weekly	Genoa	Italian

Line	No. Steamers	Sailings	Destination	Nationality.
Sociedad Triestino di Navigazione	3		Trieste	Italian
Hamburg Sud-America.	7	Fortnightly	Hamburg	German
North German Lloyd	9		Bremen	German
Hugo Stinnes	4	Monthly	Bremen	German
Société Générale de Transportes Maritimes a Vapeur	5	Every 10 days	Genoa	French
La Sud Atlantique	6	Fortnightly	Bordeaux	French
Chargeurs Réunis	8	Fortnightly	Le Havre	French
Cia. Transatlántica	2	Monthly app.	Barcelona	Spanish
Pinillos, Izquierdo y Cia.	2	Monthly app.	Barcelona	Spanish
Royal Holland Lloyd	3	Every 3 weeks	Amsterdam	Dutch

In addition there are several other lines with a limited passenger service.

Air.

Generally speaking, 1934 has marked a period of retrogression in commercial aviation in the Argentine. There are less privately owned machines than formerly, owners whose machines have been destroyed have not replaced them, the numbers who have abandoned flying as a sport or as a convenience are greater than the newcomers who have adopted it, and the number of machines hired for taxi-plane work, i.e. for special flights on urgent business has decreased. The Cia. Rio Platense founded over five years ago as the River Plate Aviation Company, maintained for the first three months of 1934 a daily service between Buenos Aires and Montevideo carrying passengers and mail, but was compelled to suspend activities when the Government subsidy was withdrawn on account of the failure of Congress to vote funds.

B. COMMUNICATIONS.

Cables.

The cable companies now operating between Argentina and the exterior are All America Cables Co. Inc. (American), Western Telegraph Co. Ltd. (British), River Plate Telegraph Co. (British), Pacific and European Telegraph Co. (British) and 2 small Argentine Government lines. A new company, the Italian Submarine Cable Co. is in the process of laying a line between Italy and B.A. All the above cables leave Buenos Aires or from the immediate vicinity, and connect American and European points.

Wireless.

Under existing laws in Argentina, privately owned radio stations are permitted only for intercontinental communications. All others are under the Ministry of War and of Marine. The Ministry of Marine controls all stations located within 100

100 miles of the sea on the River Plate and within 50 miles of either bank of navigable rivers.

For these reasons 23 of the existing stations of the Army and Navy are used for commercial traffic while 17 are for official use only. (Total 39 viz: 35 Army and Navy, 4 Ministry of Public Works). Authorization for new stations are granted for commercial reasons as well as on military grounds.

There are also 84 ship stations divided as follows:

53 Navy
19 Merchant marine
7 Ministry of Public Works
5 Ministry of Agriculture

84

Telegraphs.

In Argentina there are: the National Telegraph system (Government owned and controlled); and the State Railways telegraph lines, viz: Argentine, Central Northern Railway: Eastern Railway (from Diamante to Crespo); Railway from Formosa to Embarcación; Railway from Puerto Desado to Colonia Las Heras; Railway from Comodoro Rivadavia to Colonia Sarmiento, Railway from San Antonio Oeste to Lake Nahuel Huapi.

There are also: the Telegraph of the Province of Buenos Aires; the National Telegraph and Telephone Co; General Railway Co. of the Province of Buenos Aires; the Southern Railway; the Western Railway; the Pacific Railway; the Transandine Railway; Central Argentine Railway; Cordoba Railway; Central Buenos Aires Railway; Rosario to Puerto Belgrano Railway; Santa Fé Provincial Railway and North Eastern Argentine Railway. The provincial telegraph systems which do not go beyond the boundary of the respective provinces are:

Telegraph of the Province of Entre Rios.
Entre Rios Railway.
Buenos Aires Midland Railway
La Plata to Meridiano V° Railway.

The following table shows extension and development:

	<u>Extension.</u> Kms.	<u>Development.</u> Kms.
National.....	41,153	100,065
Railway.....	35,275	144,538
Provincial.....	7,884	13,589
Metropolitan Police.....	127	14,700
Private Companies.....	3,330	
	87,769	272,896

The service reaches practically every part of the country and is fairly efficient.

Telephone.

The Unión Telefónica (British) is the principal company operating in Buenos Aires. The second company, the Cooperativa is unimportant.

Nearly all the municipalities of the Province of Buenos Aires are connected with the Capital by telephone wires.

The total number of companies established in the country amounts to 97, giving service to 700 localities, scattered in various parts of the country, preferably in the Province of

Buenos Aires, Santa Fé, Cordoba, Entre Rios, Corrientes, Tucuman and the Territory of the Pampa respectively with a total of 134,000 telephone apparatus attended by 6900 employees.

Quite recently a direct telephone line from the city of Buenos Aires to that of Cordoba was inaugurated.

The installations of the telephone enterprises of public service owned amount to 30,350 kilometers of extension, with a development of 620,400 kilometers, which added to private and railway lines---which exceed 373---with a length of 21,000 and a development of 50,000 kilometers---makes a total of 51,350 kilometers extension, and 670,400 kilometers of development. Argentina is ahead of all other countries of Central and South America in telephone service.

Income and Expenditure---National Indebtedness.

The budget of revenue and expenditure for any year should be presented to Congress before the expiration of the previous year in order that it might be operative for the whole year for which it is sanctioned, but this result has been unattainable in recent years when the budget laws have seldom been passed before September of the year to which they should apply. Those for 1923 were finally passed by Congress in November of that year, and on this occasion for the first time the inevitability of delay was anticipated to the extent of including a provision continuing the budget in force during 1924 for a period not to exceed twelve months from its promulgation.

The following table shows the estimates of expenditure for 1925 which were submitted to Congress:-

Service of Public Debt.....	\$149,063,250	Paper \$
Administration Expenses.....	439,577,817	
Subsidies.....	21,465,603	
Public Works.....	76,865,132	
(To be met by bond issue) -		

686,971,851

Customs.....	235,250,000
Internal Revenue.....	119,188,866
Direct Taxes.....	99,670,000
Public Services.....	55,120,000
Ports, docks, etc.....	58,287,893
State Banks, Provincial debts, etc.....	21,184,808

588,841,087

There is an increased appropriation of \$8,300,000 in the service of the Public Debt for the amortisation of part of the floating debt a provision of which has hitherto not been made.

It cannot be said that taxation is levied economically or intelligently. In proportion the poorer classes are overtaxed. Customs at present produce about 48% of the income.

A bill has been presented to Congress providing for an income tax on a graduated scale varying from 1 per cent to 10 per cent in the categories of real property, securities, commerce and industry, agriculture and labour; and secondly with an additional tax on total income from all sources.

CONFIDENTIAL

The country would be divided into 50 zones, each having a valuation committee. Coincident with the adoption of an income tax the Government would propose the suppression of the export duties at present in force.

It is also provided that the internal taxes on consumptions be nationalised, and the Government return 35% of the proceeds to the provinces.

Currency.

Argentine currency is governed by the Conversion Law (No. 3871 of October 31st, 1899), which provides that paper money shall be converted into gold at the rate of 44 centavos gold for every 100 centavos paper thus fixing the value of \$327.37 m/n for each \$100 gold. Paper currency is issued by the official department designated the "Caja de Conversion", against delivery of gold at the above-mentioned rate. In normal times it also delivers gold against notes, but under the emergency legislation of 1914 the delivery of gold against paper has been temporarily suspended.

Rates of exchange May 1, 1915:

\$1.00 U.S. = \$1.1370 Argentine gold

\$1.00 " = \$2.584 Argentine paper

Banking.

Banking business has been quite active during the first three months of the current year. Credit operations have been influenced by an insufficiency of the circulating medium, which has been inadequate to cope comfortably with the financing of the grain harvests. Although the diminution of the circulating medium occasioned by previous exports of gold amounted only to 42.5 million pesos paper, or say 3% of the whole circulation, the constantly increasing demand for credit obliged the Banks to proceed with much prudence, and to raise their rates alike for discounts and for deposits.

The large requirements of circulating medium in the market can be appreciated from the following comparative data relative to the state of the banks at different dates:-

1000's \$ paper			
Date	Discounts & Advances.	Deposits	Cash held
February 28, 1925	3,008,800	3,448,100	730,500
December 31, 1924	2,913,000	3,435,700	761,800
June 30, 1924	2,838,400	3,434,000	858,700
June 30, 1923	2,658,200	3,513,000	1,082,900

Local banks are at present charging $7\frac{1}{2}$ per cent to $8\frac{1}{2}$ per cent for advances in current account and 7 to 8 per cent for discounts. The interest paid for fixed term deposits ranges from $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent for three months and from $5\frac{1}{2}$ to $6\frac{1}{4}$ per cent for fixtures for six months or more.

National Indebtedness.

The funded debt of the Argentine Republic on December 31, 1923 was as follows:

External debt.....\$544,867,100 paper
Internal debt.....776,567,300

Total..... 1,321,434,400 "

The floating debt on June 30, 1924 was as follows:

Internal debt.....\$864,755,183
External debt..... 813,334,270

Principal Financial Institutions.

The Minister of Finance is at the head of the financial system. Under him are the Banco de la Nación and the Caja de Conversión. He has charge of printing the paper money and the mint, but no gold has been coined since 1880, coinage being limited to 5, 10 and 20 cent pieces. Customs receipts have increased enormously under the present administration.

The Government grants the charter prescribing functions of banks, and requires submission of two monthly statements and reserves right to inspect any bank. Each bank may decide on its own reserve requirements. The banking system is excellent.

The principal banks besides the Banco de la Nación are:

First National Bank of Boston	(branch)
National City Bank of New York	"
London and River Plate Bank	"
Anglo-South American Bank Ltd.	"
London & Brazilian Bank	"
Royal Bank of Canada	"
Banco Español del Rio de la Plata	"
Banco Frances del Rio de la Plata	"
Nuevo Banco Italiano	"
Belgian Italian Bank	"
Banco Aleman Transatlántico	"
British Bank of South America	"
Banco de la Provincia de Bs. Aires	"
Banco Holandes de la America del Sud	"
Tornquist & Cial Ltda. (private)	

There are a large number of other and less important banking institutions, provincial and private.

Financial Stability.

Argentina's financial system is very firm and logical backed by its huge gold reserve in the Caja de Conversión which has been closed since August 1914. With the exception probably of the United States and Great Britain it is more stable than any other country in the world.

The Argentine peso has not yet reached par. In the last six months the peso has rapidly increased in value with the exception of minor fluctuations from time to time. The exchange on U.S. at par is 103.64 Argentine gold pesos to \$100 gold dollars U.S., and the fluctuations on the peso have very closely followed the fluctuations on the £ sterling.

Military Finance.

All money appropriated for military purposes is by the Federal Government—none by the provinces, communities or associations. In 1922, \$97,067,050.16 paper (approximately \$41,000,000 U.S. was appropriated for the Army, and \$44,976,257.54 paper (approximately \$19,000,000 U.S. for the Navy. In 1923 and 1924 each: Army: \$58,867,537.63 paper (\$24,905,000 U.S.) Navy \$40,980,402.38 paper (\$17,380,000 U.S.) Budget for 1925 submitted to Congress as follows: Army \$63,837,225; Navy: \$48,690,647 (both sums in paper).

7. MAN POWER

By the census of 1914 (latest official figures) Argentina showed a population of approximately 7,905,502. In May 1924 the population was estimated at 9,500,000.

The birthrate decreased from 1911 to 1920, and for that year was given as 31.0 per mil.

The total man power available for military purposes both trained and untrained is about 825,000, according to estimates.

Unemployment is practically non-existent except normally speaking.

Social reactions resulting from economic situation are very few strikes, and the almost uniform maintenance of the 8 hour day without there being any law imposing it.

On April 24, 1925 a resolution^{was} put forward by the Bolsa Employers' Committee to form a procession comprising at least 50,000 people to march to Congress on the day that Law No. 11,289 comes up for discussion (the Pensions Act), and to insist that this law be replaced by one properly thought out, and that will be a credit to the country. This resolution was unanimously adopted.

There is much agitation against the Pensions Act, and it seems to increase rather than diminish both on the part of the employers and employees.

There is more poverty and want than would appear to be justifiable in view of the large unpopulated territories and rich resources of the country.

According to the Census of 1914 the total number of illiterates in the Republic was 2,213,915 and the semi-illiterates 172,098 (over 7 years of age). This is on a total population of 7,808,503.

Prevalent diseases are tuberculosis, malaria, syphilis and leprosy. Cancer is also very common.

Sanitation and health are improving slowly, and dispensaries are being established through Buenos Aires and the provinces for tuberculosis and syphilis.

A large proportion of immigrants remain in the city of Buenos Aires.

8. ECONOMIC PENETRATION OF FOREIGN INTERESTS.

As in other South American countries the great mass of importation and exportation is carried on and controlled by foreign enterprises as well as the organization and direction of railroads, packing plants, public service enterprises such as railroads, telegraph, telephones, tram lines, etc.

The British own and control most of the railroads, American capital controls the packing plants, telegraph and radio lines, and the British also own the telephone service, tram service, etc.

9. ARGENTINE ECONOMIC INTERESTS IN FOREIGN COUNTRIES.

Negligible.

10. BEARING OF ECONOMIC SITUATION ON INTERNATIONAL POLITICAL SITUATION.

Argentina's general aims are preponderance in South American affairs, and important policies or doctrines are fashioned toward that end; however, there is no suspicion of a policy of aggression. Her most serious international problems are of an economic and financial nature, resulting from her loss of world markets, and from the generally disturbed economic and financial conditions left by the War.

11. GENERAL CONCLUSIONS.

Until recently so great was the faith in the potential wealth of the country that were it not for foreign capital and

endeavor, the Argentines would have made little or no effort to develop their country's resources. Cattle increased and multiplied, crops grew and were harvested without much work being necessary, and until after the war a ready market was always available and loans for Government expenditures and public works were procured without difficulty. The war's aftermath of saturated or closed markets, brought about the realization that to place the economics of the country on a sound basis much hard work would be needed.

Argentina is still far from developed, and potential resources in oil, mines (if any exist) water power, etc., have barely been scratched.

The country is self-supporting as far as food and raw materials are concerned, but it is absolutely dependent on importation for machinery and manufactured goods. It has a great surplus of meats, cereals and vegetable and animal raw materials for export.

The livestock industry in the Republic has improved tremendously owing to the heavy exportation to Europe of meat (principally chilled) by the packing plants.

The cereal crop of 1924 was very satisfactory as regards production and marketing. The crops were not only good in quality but large in volume.

Exports during the year 1924 totalled the following quantities:

Wheat: 4,500,000 tons	Maize: 4,620,000 tons
Linseed: 1,420,000 "	Oats 720,000 "

Transportation facilities are good on the whole, but due to high tariffs, prices soar between producer and consumer. Many things imported from abroad are cheaper than produced in Argentina.

British, American, German, French and Italian capital controls the railways and public utilities.

Immigration is particularly needed by the country, but there is no fiscal land available, and other inducements are not highly attractive for immigrants.

12. CURRENT SITUATION.

Argentina like Brazil is a heavy exporter of food and raw materials and a heavy importer of manufactured articles.

Her manufactories are not increasing to a very marked degree as fuel, minerals and skilled labor are lacking, and it is cheaper to import manufactured goods. However, cloth, shoes, and hat factories are increasing rapidly, and are producing as much as can be consumed.

The old and stubborn tendency to look to additional loans from abroad to remedy matters has not changed, which tendency has caused a failure during recent years of prosperity to consolidate the floating debts out of the savings of the people by means of domestic rather than foreign loans.

Short term loans are occasionally cancelled or renewed, and the Provincial Governments and the Municipality of Buenos Aires do not hesitate to negotiate loans with the object of using the proceeds for public works said to be reproductive, and even for works of an ornamental character with an entire lack of realization of the country's financial position.

There is a budget system, but it does not prevent an annual deficit.

Foreign Commerce:

Argentina offers a practically unlimited field for profitable investment of foreign and particularly of American capital. Oil fields, mines, industrial and electrical plants,

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telephones, wireless, water power, railroads, etc. are only in an embryonic stage of development taking into consideration the potential wealth and size of the country. It is but a question of time, the breaking up of large landholdings, increased population favored by better conditions for settlers, farmers, small capitalists, etc.

The country's national spirit is pride in her rapid development and economic importance. She is therefore pro-Argentina and independent in attitude, and all achievements of a political, artistic or sporting nature contribute to feed the sentiment of nationalism.

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SUBJECT ECONOMIC-----ARGENTINA

(FOR INFORMATION DIGEST)

From ARGENTINA

No. 3161

Date June 10, 1923

INCIDENT C/2 W.D. JUL 17 1923

Replying to No.

Date, 19

4000: Economic-General.

Economic characteristics of country, degree of development
potential development in consequence of natural resources.

The opportunities for development of Argentina would seem to depend on finding buyers for its wheat and cereals, as its manufacturing and mining products are nil, and probably will remain so for some time to come. Cattle and grain cover the northern section of the Republic and sheep the southern, which is arid and saline. No fresh water can be found there, and it takes about two hectares to feed one sheep. The communications are sufficient to handle the supply and demand.

Argentina being essentially a cattle, sheep, wheat, maize and flax country it does not appear that there can be much further development except improvement in cultivation of stock and grain. Argentina having few minerals in exploitation for the value and quantity of petroleum is a question, and no water power except at enormous distances from the centers of population, nothing can be looked forward to in a manufacturing way.

Binding Margin.

4110: Mineral Fuel (Raw Material)

Coal

Although coal deposits exist in several parts of Argentina, the domestic coal production has had no commercial importance up to 1917. From that time Argentina was greatly embarrassed by a fuel shortage.

Due to geographic position of majority of coal deposits, exploitation has been hampered.

Coal deposits have been found in the provinces of Jujuy, Salta, Catamarca, La Rioja, San Juan, Mendoza and territories of Neuquen, Chubut and Santa Cruz (on the coast and near the Cordillera) also in Tierra del Fuego. Of all these, in view of situation the easiest for exploitation would be the Marayes deposit (south of the Huerta Hill in San Juan, and Paganzo (in La Rioja). This latter deposit seems to be extensive and of good quality. Also the Salagasta coalfields in Mendoza are fairly accessible.

In the territory of Chubut, near the Epuyen arroyo coal was reported but on investigation was found not to be of good quality.

As to yield in calories only in a few cases has anything above 7000 calories been found, generally it is between 3500 and 5000.

Peat

Is very abundant in Tierra del Fuego, however labor and capital are essential for exploitation.

"Asphaltita" is found in the province of Mendoza (San Rafael) and in Neuquen. It is simply solidified petroleum. It is a solid combustible which yields much gas applicable for lighting purposes, and gives a residue of coke almost without ashes, useful for many industrial purposes.

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4120: Metals (Raw Materials)

Important developed areas; output, adequacy for meeting munitions requirements in war. Undeveloped deposits.

Iron. The only iron mine in Argentina is that of Romay, discovered 40 years ago and the importance of which was exaggerated. There cannot be said to be any production of iron ore in Argentina.

Copper. The northwest provinces of Argentina are extraordinarily rich in copper deposits, and now that this section is penetrated by a branch line of the railroad that reaches almost to the base of the Andes, while another line farther south crosses the Cordillera and connects with the Chilean railroads, a great development of the mining industries may in time be confidently expected.

The Famatina district, in which the principal mines occur, lies on the east side of the Cerro Famatina, the district being from 10 to 15 miles west of the city of Chilecito, and covering an area of about 8 to 15 miles. The district is a very mountainous one, with arid and steep mountain slopes, and narrow and dry intervening valleys. The Famatina district includes the Mejicana, Sphir, Ampallo, Cerro Negro and other mineral sub-districts.

At the Mejicana subdistrict, and that of Cerro Negro to the southeast, the mountains culminate in the Espina Peak, which is about 18,970 ft. high. The main chains lie to the northeast of this peak at altitudes of 18,000 ft. or less.

The largest mine is that of Upulungos, in which the veins vary from 8 in. to 7 ft. in width, and average 2 ft. across. The veins run northeast by southwest, dip northwest at 70 deg. and show an ore about 1000 ft. long. The richest ore formerly mined had 15% copper with 66 oz. of silver and over an ounce of gold to the ton. The main vein is traceable into the ranges north and south.

The Government has spent \$170,000 on an aerial tramway to carry the ore to Chilecito where it will be smelted.

The six principal mines of this district, and indeed of all Argentina, are owned by the Famatina Development Co. Ltd. This corporation has acquired control of a large tract 2400 by 2000 meters in the heart of the Mejicana district. The production of these six mines from Sept. 1903 to April 1904 was about 1000 tons of ore, averaging 8.3% copper, 0.66% silver, and 0.0189 % gold from which matter was produced containing 162,775 lb. of copper, 568 kilos of silver and 15 kilos of gold. The ores from the Uputungos mine are at present low grade, averaging but a little higher, but as they carried high silver and gold values they were profitably worked.

Other mines occur in the province of Buenos Aires and other parts of Argentina, but they lack the high values in copper and the precious metals characteristic of the Andean region. The future copper production of this republic will undoubtedly be largely from along its western border.

Lead, silver and zinc are found in the following places: Hoyada Mine, in the Province of Catamarca, Concordia and Pan de Azucar mines situated at the place known as Puna de Atacama, which comprises besides the territory of Los Andes, part of the Province of Jujuy, Salta and Catamarca.

The Famatina district, after Puna de Atacama, is undoubtedly the most important region and the one which has been most worked.

Tungsten is one of the chief mining industries in Argentina. It is mined chiefly in the Province of San Luis, but also in San Juan and La Rioja. About 700 metric tons of concentrates are produced here,

The mineral is chiefly wolframite, found mostly in veins of quartz with mica. Important mines are located on the east side of the Sierra de San Luis, west of the village of Dolores, near

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4120: Metals (Raw Materials)

Tungsten

Corcoran station of the Pacific railway. The production of tungsten ore or wolfram in this locality has been controlled largely by one company, the Hansa mines a German concern that is reported to be affiliated with the Krupp interests. Up to about January 1916 it operated the only mine in the Republic in the Province of San Luis. This one mine can produce approximately 50 tons a month when operating at full capacity. Until the outbreak of the war its entire output was shipped to Germany.

The total Argentine exports from 1909 to 1913 inclusive amounted to 3,319 metric tons (of 2,240 pounds each). Of this amount 3,309 tons went to Germany. In 1915 the United States became an importer of Argentine ore, receiving 135 tons. When the war broke out the Hansa Mines (Ltd) closed down a part of the plant, reducing production to a very limited figure.

The Hansa Mines began working to full capacity again in 1916, and its entire output was contracted for in the United States. Aside from the Hansa Mines production, the entire output available would not exceed 10 tons a month, and even this would be contingent on deliveries from the small miners and prospectors.

Production of tungsten in Argentina by years was as follows in tons:

<u>Tons</u>	<u>Tons</u>
1910.... 886	1913.....591
1911.... 683	1914.....483
1912.....703	1915.....189
	1916.....700

Tin

The tin production of Argentina is less than 1% of the world's production. The output is so small it is an unknown quantity.

Very valuable veins of tin ore have been traced in the San Salvador Mines, Province of Catamarca. Prospecting is allowed on all lands and the discoverer has the usual prior right over any other applicant.

An important tin mine was discovered eight leagues from Copacabana, Catamarca. It is claimed by a Chilean syndicate, which proposes to work it.

Manganese

Deposits are said to exist in Mayares, province of San Juan. Production is not known, but it is less than 1% of the world's production.

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4220: Food Products (Raw Material).

Production, exports, destination. Consumption, imports, sources.

The principal cereal food products in Argentina are wheat, maize, barley rice and rye.

Wheat: In the last few years the number of hectares sown with wheat have oscillated between 6 and 7 millions, and production has been between 4 and 6 million long tons. The principal centers of production are the Province of Buenos Aires which has about 1/3 of the total number of hectares sown (2,000,000) Province of Córdoba, Santa Fé and the territory of the Pampa. The wheat of the Chubut and Negro River districts is of the best quality. The production is about 8.0 quintals to the hectare.

In the year 1922, 3,753,793 long tons of wheat were exported principally to the United Kingdom, Brazil, Belgium and Germany in the order named.

Maize. In the last few years between 3 and 4 millions of hectares have been sown in maize, and the production has been between 4 and 8 million long tons. The centers are Córdoba, Santa Fé and Entre Rios. Argentina does not consume much corn, so that if there is no demand for its supply, it is disastrous. In the year 1922, 2,849,933 long tons were exported principally to Belgium, Italy, France and the United Kingdom and Spain in the order named.

Barley. This cereal has grown in importance in Argentina being now used in the manufacture of malt. It is cultivated along the coast. In 1920, 244,000 hectares were sown. In 1922, 23,850 tons were exported.

Rice. This is cultivated in the warmer regions as Tucuman, Chaco, Misiones and Corrientes and the northern part of Santa Fé. Only about 10,000 hectares are cultivated, which is just about one third necessary to supply the demand. The present production is about 13,000 tons. The deficiency is imported from the United States, Spain and Brazil.

Sugarcane is cultivated principally in the province of Tucuman, where are found the great sugar mills, but it is also cultivated in Salta, Jujuy, Northern Santa Fé, Chaco and Formosa. The cultivation is about 100,000 hectares. In 1914, 335,000 long tons were produced marking the record, decreasing in later years on account of heavy frosts. In 1922 only 7 tons were exported, 6 to the United States and 1 to Germany.

Peanuts are grown in the northern part of Santa Fé Province, Territory of Misiones, and in the Chaco along the Paraná and Paraguay River. There are 27,000 hectares under cultivation. It is for local consumption only.

Yerba maté. This grows naturally in Misiones and is being rapidly developed, but so far only on a small scale. It is the main drink of the River Plate countries, and forms part of the ration of Argentina, Paraguay and Uruguay.

The best mate comes from Paraguay, and next from Brazil. These two countries supply the deficiency in Argentina.

Potatoes. The cultivation of this plant has increased enormously the last few years (about 135,000 hectares) at present, but its production is not sufficient importing about \$1,800,000 pesos gold of them.

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4320: Food Products (Raw Material)

Production, exports, destination, consumption, imports, sources.

Sweet potatoes, are grown in Santa Fé, Entre Rios and Corrientes and are for local consumption.

Manioc whose stalk reaches nearly a meter in length is grown in Corrientes and Misiones, about 17,000 hectares being sown.

Coffee and tea are not grown in Argentina both being imported principally from Brazil and England.

Fruits are not grown or cultivated to any extent only about 800,000 hectares are under cultivation. The production does not supply the demand and about \$3,000,000 pesos gold of fruit are imported annually.

Oranges come from Paraguay; walnuts and Brazil nuts from Chile; olives from Spain, figs from Italy; peaches, dates and apples from California. The following fruits are cultivated in Argentina:

Northern zone: oranges, pomegranates, "chirimoyas" pine-apples, bananas, grapes, olives, alligator pears and guavas.

Central zone: peaches, especially on the islands of the Paraná River) apples, quinces, figs, plums, dates, etc.

Western zone: (the Andean region) grows most of the fruits that pertain to California.

Southern zone: grows walnuts, apples, Brazil nuts and chestnuts.

Grapes are cultivated in Mendoza and San Juan. The vineyards cover about 120,000 hectares and the production varies between 4 and 8 million hectoliters. Mendoza contains more than half of the area cultivated followed by San Juan, La Rioja, Catamarca and Neuquen, Buenos Aires, Entre Rios and Cordoba likewise have many hectares under cultivation.

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4230: Food Products(Raw materials)

Production, exports, destination.

The most favorable sections for stock raising are the provinces of Buenos Aires, Santa Fé and Cordoba where natural grasses abound, and no shelter is needed.

On account of the droughts in the central provinces, alfalfa is planted to supplement the natural grasses.

The valleys and mesas of the southern territories are excellent for sheep raising.

A small number of cattle are exported to Uruguay, Chile and Brazil and sheep to Uruguay and Chile.

In 1921 it was estimated that the following were in the Republic:

Cattle.....	27,052,586
Sheep.....	44,855,000
Horses.....	8,823,237
Mules.....	595,194
Asses.....	275,688
Goats.....	4,583,330
Hogs.....	3,259,945

The quality of the cattle and the sheep is probably not surpassed by any other country of the world.

Poultry:

Argentina produces just sufficient poultry for its own needs, but during 1922, poultry was being shipped to the United States for the first time.

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4230: Forage: Chief producing areas

Alfalfa is the principal forage. There are about 8 million hectares under cultivation, and this constitutes one of the greatest riches of the Republic. It is cultivated especially in the Province of Buenos Aires and Cordoba. The south of Cordoba is denominated the land of alfalfa as the fields are preserved in a good condition for more than 20 years, a period which is reduced by less than half in the province of Buenos Aires. It is also cultivated in Santa Fé, La Pampa, Mendoza, San Luis, San Juan, Catamarca.

In 1922, 197,385 bales of hay and alfalfa were exported, Brazil receiving 194,065 bales, the United States 7,076 and the United Kingdom 4,273. Also there is grown ray grass, ox-eyes, sweet grasses, esparto grass, etc.

Oats are cultivated in the entire Central zone, the center of production being in the Province of Buenos Aires. In 1919-20 1,206 hectares were cultivated ; in 1920-21, 835,000 hectares.

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4240: Vegetable and Animal Raw Materials.

Flax, cotton, furs, jute, hemp, wool.

Flax.

Until a few years ago flax was not cultivated in Argentina, but today is one of the first, if not the first of producing nations, and a big exporter to the world. In 1922, the exportation was 933,343 long tons, principally to the United States with 302,591 long tons; to Holland, 126,318 and to England 81,628.

About 1,500,000 hectares are under cultivation producing about 1,200,000 long tons.

The principal producing country is Santa Fé, Northern Buenos Aires, Cordoba and Entre Rios. It exports all the flax except sufficient for seed. A part of the seed now is used in making oil.

Cotton.

This is not produced in great quantity considering the size of Argentina. Only about 12,000 hectares are under cultivation. Corrientes and Chaco produce an excellent quality of cotton. Cotton imported is very high.

Jute and hemp scarcely exist in Argentina.

Furs

Among the fur animals are the chinchilla in the north, and the nutria in the south, whose furs are highly valued.

The pampa fox, guanaco (llama family) hare, rabbit (both of these used in imitation of fine furs) puma, jaguar, and the "aguará", a carnivorous animal between the wolf and the fox having the tail and form of a wolf and the head of the fox. Also on a less scale are llamas, vicuñas and alpacas. All are of the same family.

In 1922, the following skins, hides, wool, hair, etc. were exported:

		<u>Principally to:</u>	
Calf skins:1,368,452	Nos.	United States...	1,005,310
		Italy.....	143,448
		Germany.....	137,263
Dry ox hides:3,082,797	"	Germany.....	813,897
		United States...	787,552
		Italy.....	569,055
		Spain.....	345,726
		United Kingdom..	256,458
Salt ox hides:4,145,256	"	United States...	2,822,152
		Germany.....	635,038
		United Kingdom..	194,537
Horse hides: 283,714	"	United States...	202,634
		France.....	34,000
Sheep skins.... 73,226 (bales)		France.....	59,492
		United States...	6,932
Goat skins..... 5,735	"	United States...	4,384
Wool 452,129 (bales)		Germany.....	134,036
		France.....	96,777
		United Kingdom..	74,811
		United States...	68,082
Hair 10,211	"	United States...	3,329
		Belgium	1,863
		Germany	1,688

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Timber

4240: Vegetable and Animal Raw Materials.

Production

The woods of Argentina cover about 1,000,000 sq. kms. consisting of the sub-tropical, temperate and Antarctic.

Sub-tropical formation. Belonging to this are the forests of Misiones and the eastern slopes of Jujuy, Salta and Tucuman.

The principal species are the laurel which reaches a height of 50 meters, the yellow, white and black laurel, the cedar which reaches 40 meters in height, the "lapacho" a tree of great dimensions which has a wood of greenish hue, heavy solid and very hard, and very appropriate for piers, bridges, keels and coaches freight cars, handles for implements and lathes. It has the peculiarity of resisting rotting entirely, and also a coloring matter is obtained from it useful for dyeing wools of various shades.

Another tree very common in these regions is the acacia, the bark of which contains much tannin. There is also the "jacaranda" which is used for cabinet work. The bark of the "palo borracho" has fiber that is used in the making of wicks, and the cotton from its fruit is used in mattresses and pillows.

Temperate formation. This covers the banks of the Rio Dulce, the valleys of the northern mountains, the immense flat country of the Chaco, Northern Santa Fé, Corrientes, Entre Rios, the hills and valleys of Cordoba and a small part of the Pampa.

The trees of this region are not as high as the first nor as compact. At times there is a great extent of grass lands between groups.

Amongst these are the "urunday" whose very hard wood is used in naval construction, sugar mills, carpenter's tools, etc. The "quina-quina" grows an aromatic resin. Also there are the "molle" cocconut, oak, palm, "taouara", the black and white carob from whose fruit is made a kind of bread called "patay", and a drink called "aloja" a kind of beer. Its wood is used for pavements, and it has a coloring principle, which is destined to revolutionize dyeing, since it can be used to replace aniline.

In Corrientes and Entre Rios is the "mandubay" used for fuel, and on account of its hardness, excellent sleepers are made.

The "quebracho" is the tree most exploited on account of its tannin extract, and this has been taken advantage of recently by the opening up of many tanneries.

In 1922, 124,822 long tons of quebracho logs were produced.

The "calden" which grows in small quantities is used for fuel wood.

The Arctic formation. This covers the Andean slopes and valleys of Patagonia from Nahuel Huapi Lake to the straits of Magellan and Tierra del Fuego.

On account of its great humidity here are found the beech, cypress, oak, certain pines, one whose species is destined to play a part in the manufacture of paper.

Only the quebracho and the carob, and in a less degree the "calden" and the willow are exploited. The quebracho is utilized as extract and in logs, and the second for paving blocks, aside from its use in the making of "patay" (bread) and "aloja" (drink). But the rest unfortunately are not utilized, Argentina depending on importation for pitch pine, spruce pine, white pine, staves, empty casks, cedar, cork.

The poplar is being exploited, and is used in the sand dunes in the interior and on the coast, which on account of its spreading roots prevents the shifting of the sands.

The "paraiso" is much diffused and its resistant wood would make it adaptable for construction wood. Also the willow. Hard woods such as the "quebracho" "urunday" "lapacho" "guayacau" black palm, "ourupay", "palo santo", mulberry, "jacaranda". Some of these woods are appropriate for port works, naval construction and sleepers; all these trees are very much grown.

4240: Vegetable and Animal Raw
Materials.

Timber.

Production

Woods of light colors and of relative hardness are the "guayubirá" "tenarié" mulberry, "palo rosa de lanza", "palo blanco" "aguay" and others which are very appropriate for furniture and civil construction will have a demand for they will always be on the market:

As to soft woods and of dark color there are the cedar, "chancharana" and "peteribí" and the first two are used in carpentry and also for furniture. As to the "peteribí" it is much employed in furniture and exported to Spain.

Amongst the soft light woods are mentioned especially the "aguaimí" of an extremely uniform texture.

The black "guayaiví" is the best for furniture. Others mentioned are the incense wood and the mazard and tarco from Tierra del Fuego.

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4290: Miscellaneous.

Agriculturally Argentina is divided into four regions:

Northern region which extends from 21° 30' S.L. to about 30° S.L. and comprises the provinces of Jujuy, Salta, Tucuman, Catamarca, Corrientes, Santiago del Estero and the Territories of Los Andes, Chaco, Formosa and Misiones. It contains about 1.8 inhabitants per sq. kilometer and about 17.5% of the total population. The population is more marked here with Indian blood than in the central region. The negro strain is very slight but still more marked than in other parts of Argentina.

In this region are cultivated sugar cane, rice, peanuts, tobacco, cotton, coffee, "yerba mate" manioc, oranges, bananas, "chirimoyas", olives and early garden vegetables. Also alfalfa, maize and wheat. The climate is warm, soil sandy, water salty, and there is more rain in the east than in the west.

Cereal region comprises the Provinces of Cordoba, Santa Fé, Entre Rios and Buenos Aires and the Pampa Territory. It contains about 5.2 inhabitants per sq. km. or about 82.4% of the total population. The climate is temperate, rains being more regularly distributed especially in the east, and the soil is fertile. The population is mostly pure white (Spanish and Italian) with the strain of the Indian.

The principal products are wheat, maize, flax, alfalfa and fruits. This is the great cattle section, the principal industry in Argentina. The most favorable places for stock raising are the Provinces of Buenos Aires, Santa Fé and Córdoba where natural grasses abound, and no shelter is needed.

On account of the droughts, in the central provinces alfalfa is planted to supplement the natural grasses. Also as of secondary importance this is the industrial region.

Wine region which comprises the provinces of San Juan, La Rioja, San Luis and Mendoza. Here are cultivated grapes, olives, cereals, alfalfa and fruit trees. The climate is temperate, and rains are more regularly distributed especially in the east.

Southern Region which includes the territories of Neuquen and Rio Negro, Chubut, Santa Cruz and Tierra del Fuego. In the river valleys and on irrigated land wheat, maize, oats and barley are cultivated. Also beets, hops, hemp, walnuts, hazel nuts and chestnuts. In the cordillera there are magnificent forests. This region is cold and is subjected to the persistent Patagonian winds. It has about .1% of the population and about .1 inhabitant to the square kilometer. The inhabitants are mostly Scotch, Welsh and English. The Indians are along the Andean foothills.

This section is devoted mainly to sheep raising, the valleys and mesas of the territory being excellent for the purpose.

Forests of good timber are found in the mountains.

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4300: Manufactures---general

Principal manufacturing industries, general data on production industrial organization and technique.

The lack of manufacturing industries and the ease of obtaining from foreign countries all the necessary products of the best quality and at a less price, had led Argentina to neglect industry until the World War demonstrated the necessity of making itself independent of the foreign producers, at least of those articles for whose manufacture it possesses the prime products, which Argentina had been sending to Europe to have made up.

At the present time Argentina is in a position of dependence for manufactured products, for cotton raising and agriculture are the industries developed.

Argentine industry thanks to the abundance of vegetable and animal raw materials could be developed enormously.

The elaboration of agriculture, cattle, raw materials as likewise the possible specialties of which they admit are for Argentina a fine base of industrial progress and of rich economic benefit.

According to the 1914 census there were 48,779 industrial establishments with a capital of 1,787,663,395 pesos paper, employing 410,201 workers. The animal production was valued at 1,861,789,710 pesos paper. During the World War manufacturing industry naturally increased.

The most vital industrial areas are the Federal Capital Buenos Aires, Provinces of Buenos Aires and Santa Fé. Buenos Aires contains about one fourth of the establishments and Santa Fé one tenth.

In general the manufacturing industries are divided into four groups:

Extraction This group comprises about 30% of the total. In this division are packing plants, sugar mills, flour mills, mine establishments, milk industry, breweries, alcohol distilleries, yerba mate, edible oils, forestal manufactures, sawmills, lime and marble quarries, smelters, wool washers, etc.

These are sub-divided into (a) derivatives of vegetable products; (b) derivatives of animal products; (c) derivatives of mineral products.

Manufactures. These comprise the group of the establishments essentially manufacturing in which are transformed materials and articles and products intended for man are made. This group is about 30% of the total. These include the ice factories, carbon water, sweet biscuits, maraoni, liquors, leather and canvas shoes, carpenters shops, brick kilns, mosaic and tile factories, wagons, carriages, furniture, saddleries, foundries, iron works, metallurgical shops, soap factories, chemical products, painting and varnishing, glass works, hat factories, cloth, jute bags, cigars and tobacco, paper and cartons, laundries.

The Non-manufacturing Industries, and the Industries for Public Service comprise about 39% and 1% respectively.

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4300: Manufactures--general.

Strategic bearing.

Argentina having no mineral fuel developed or water power, or metals, and its vegetable and animal raw products limited in kind, it is everything but a manufacturing country. In Buenos Aires however, and to a far less degree in Rosario and Cordoba, there are factories for shoes, hats, food stuffs, drinks, furniture, flour, sugar mills, soap makers brick and tile kilns.

The iron and glass works and metallurgical foundries are few and unimportant and far from sufficient for local needs. The automobile shops are merely repair places ^{and} where finished parts are put together.

At the main war arsenal in Buenos Aires repairs are made in the limited foundry for all their war materials. Small arms, ammunition, cartridges, lances, bayonets are made also and boring and finishing of rifles.

All main war material has been purchased from Germany and France, principally the former----the last investment in cannon having been made in 1911.

There are no shipbuilding yards in Argentina, but repairs of major importance can be made in Buenos Aires, Rosario and La Plata.

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CONFIDENTIAL

4520: Railway Net.

Importance of particular systems or lines in connection with essential traffic between principal producing areas of raw materials.

In 1915 Argentina held ninth place in the world for railway extension, being exceeded by the United States, Germany, Russia, British India, France, Austria, Canada and the British Isles, and its railways represent 2.97% of the world's total. As the southern and western parts of Argentina are mostly uninhabited, and probably will remain so, it will never achieve a place for railway density per square kilometer.

The railway center is Buenos Aires to which all railways converge, with the exception of a very few in the far north and the far south. To Buenos Aires are brought the cereals and meats from the agrarian and pasture lands of the interior. The cost of transportation is high. From the railway map it is interesting to note that many of the railway lines cross the Province of Buenos Aires to reach the Federal Capital where 80% of the exports are made----the great economic center. The railway system is inadequate for commercial purposes.

Of the 19 Argentine railways, 10 are British owned, 5 State, 3 French and 1 Argentine capital.

Total length 35,300 kilometers.

The private lines are well maintained, the State ones fair.

Kind of fuel; sources of supply.

Oil is much used as fuel and is mostly imported from Mexico. Coal is imported from the United States and England, and wood comes from the North Chaco.

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4520: Railway net; Strategic aspects.

The strategic railways are: Buenos Aires Great Southern and Buenos Aires and Pacific to Bahia Blanca on the Atlantic Ocean, and where the military port is located. Distance from Buenos Aires, 640 kilometers.

Buenos Aires Great Southern to Mar del Plata on the Atlantic Ocean where the new commercial port is being built. Distance from Buenos Aires, 399 kilometers.

Buenos Aires and Pacific to the Chilean Border via Mendoza. Distance from Buenos Aires 1043 kilometers.

There are also the Buenos Aires Western Railroad; La Plata to Meridiano 5° and the General Company of Railways in the Province of Buenos Aires to La Plata. Distance of the latter 53 kilometers. These railways are probably the most strategic in the Republic as it is thought if an attack were made by sea it would probably come via La Plata rather than by the Atlantic sea ports.

Besides the above are the North Eastern Argentine and the Entre Rios to Concordia and Posadas. Distance from Buenos Aires 544 and 1142 kilometers respectively. These railways skirt along the Uruguayan River, the boundary between Argentina and Uruguay and Brazil.

Troops could be easily moved into Buenos Aires but it would be more difficult to despatch them to strategic points.

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4530: Individual Lines.

Kind of fuel; sources of supply.

Oil is much used as fuel and is mostly imported from Mexico. coal is imported from the United States and England, and wood comes from the Chaco.

The Compañía Ferrocarrilera de Petroleo, which is a combination of the three British-owned railways; the Sud, Oeste and Pacifico, has a concession of 1,500 hectares along the coast at Comodoro Rivadavia 2 miles from the Government workings and has seven wells which were producing a total of 14,000 barrels of oil per month in 1920, when the land was leased for 20 years.

It is estimated that the railways will need a total of not less than 600,000 tons per annum and development of new wells is being pushed as quickly as possible.

As production increased more engines are transformed to use oil instead of coal or wood combustible.

Coal. The following table shows the coal and wood consumed from 1906 to 1915 for all lines:

	Coal	Wood
1906	709,141	281,260
1907	828,712	328,784
1908	946,444	401,650
1909	988,837	398,942
1910	1,093,875	404,436
1911	1,252,513	442,174
1912	1,367,994	547,875
1913	1,443,443	466,658
1914	1,188,487	461,971
1915	1,090,061	855,835

The total consumption of coal and other combustibles reduced to coal in kilos per locomotive was in:

Year	Gauge	Railroads
Per kilo-meter	Narrow	Medium
1915	10,42	12,58
		Broad
		12,57
		State: Private: Total
		10,40 12,17 11,93

Per ton kilometer of brute weight transported:

1915	0,054	0,046	0,039	0,074	0,041	0,043
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Regarding the quality of the combustible used in experiments made by the Santa Fe Province Railways the following was found:

Year of experiment	Combustible used	Length of train journey PER train in kilos	Brute Ton per locomotive	Brute kilometrical tonnage
1900	Mixed	251	1004	130
	quebracho	251	502	129
	coal			530
				558
				130,483
				64,881

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4530: Individual Lines.

Kind of fuel; sources of supply. (Tables continued)

Combustible used				Amount of wood per 100 kg. of coal		
Total:	per km. of:	Per ton	:	Per train:	per ton	Mean
:	of train	km.	:	km.	km.	:
:	Kilogrammes	grammes	:	k i l o g r a m m e s		
Mixed	:	:	:	:	:	:
que-	:	:	:	:	:	:
bracho 12945	12,90	99,2	:	2424	2384	2404
Coal :2664	5,32	41,5	:	---	---	---

The Buenos Aires Pacific Railway in experiments made with foreign and native coals found that:

South African coal, mean on 6 experiments made with Mallen calorimeter.....				7307	calories
English coal: Cardiff, 3 experiments.....				8049	"
Abercorn, 1 "				8240	"
Sirhowy 6 "				8203	"
American " Clinchfield 5 "				7870	"
Pittsburgh, 1 "				7570	"
Bocchontus, 1 "				8178	"
Fairmount, 1 "				7825	"
Stonega, 3 "				7586	"
Argentine coal Marayes 1 "				4184	"
Salagasta 1 "				5398	"
Chilean " Schwyer 1 "				7889	"
Argentine peat				3833	"
Uruguayan "				3258	"
Wood:					
Red quebracho (wood out more than 6 months)				4408	"
" " " " " 3 "				4088	"
" " " " " 3 "				3354	"
White " " " " " "				4184	"
Alecun				4024	"
Algarrobo				4152	"
Calden out 3 years				4312	"
" " 4 months				3545	"
" " 6 "				4056	"
Guatambú				3705	"
Tala				3609	"
Red "Angao"				3663	"
Cowper coles (mixture of brea, espinillo, algarrobo and Mandubay from Entre Rios Province				3683	"

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4600: Highways and roads.

General description of the character of roads in various sections of the country.

Argentina is devoid of any system of highways as is known in the United States. There is an excellent stone road from Buenos Aires to La Plata 53 kilometers long; from Buenos Aires to Tigre, 28 kilometers, and from Buenos Aires to Campo de Mayo headquarters of the 2nd Army Division.

Although Buenos Aires with a population of about 1,800,000 inhabitants which is about one fourth of the total population of Argentina it has no highway connection except the three roads named above, that can be called such with the rest of the Republic.

In the summer when there has been no rain, it is possible to leave Buenos Aires for the interior over the dirt roads, but after a rain and in the winter time, the roads are impassable the soil being like glue. This is true of almost the whole of the Province of Buenos Aires.

Around Cordoba where the soil is sandy, and in the southern territories where transportation is unimportant, travelling is not so difficult. All roads with a very few exceptions are dirt and most of them natural. In Cordoba especially a good system of highways has been built and maintained.

The hauling of crops to the railway stations is tending to improve the roads, but slowly.

The Automovil Club Argentino is attempting to awaken enthusiasm in road building. Wagon transportation is generally used, frequently oxen drawn. Pack transportation is rarely met with.

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4720: Shipyards and Drydocks.

Zarate (Paraná River).

There are no drydocks or marine railways. In special cases and by authorization of the Ministry, the "Parque de Artillería" makes repairs to hull and machines.

Buenos Aires (Government).

There are two drydocks on the north side of the Dársena Norte, lengths 180 and 150 meters respectively; beam 20 meters, distance over blocks 155 and 125 meters respectively; depth on sill at zero of the river; 20 feet, and 33 feet at highest water. There are four marine railways as follows: Ministry of Public Works; La Platense; Mihanovich; Badaracco and Juan Pedretti. Any class of repair works can be done in the ample shops. Under certain conditions repairs may be done at the Buenos Aires Navy yard.

Besides the above there are about 20 other repair plants which can do all kinds of repairing to vessels. About 15 of the plants have been employed by the United States Shipping Board in repair work. The equipment runs from small to large. Cranes are as high as 20 tons.

Basin drydocks	Length Over all	Over blocks feet	Width at en- trance feet	Depth on sill, high water ordinary springs ft.
Government Drydock No.1	590 ^{7/12}	587	65 ¹	25
" " No.2	492 ^{1/6}	488 ²	65 ²	25
Patent slip (800 tons)	410	185	---	10-15
Patent slip (750 tons)	216	84	---	7-8
Patent slip (600 tons)	224	177	---	10-11
San Fernando dry dock (Govt.)	350	330	64	10
Floating dock	328 ^{2/3}		69 ²	

Shipyards, machine shops, etc. having facilities for repairs to steamers	Character of repairs lar- ge or small	Shafts: dia- meter and length: of largest: can be: made	Pipes: diana- ter of largest: can be made	Castings: weight largest can be made tons
Ballesty & Gonzalez.....	General repairs
E.R.Olsen & Co.....	General repairs	12 in.	Any size	6 tons
Wilson and Cromwell	Large	6 in. by 35 ft.		
Leon Gourinsky & Co.	Engines; large	10 in. by 26 ft.		8 tons
Mihanovich (Ltd)	Engines & boilers			
James Marjoribanks	General repairs			

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4720: Shipyards and drydocks.

Buenos Aires.

Many cranes from 1/3.4 to 12 tons are available.

La Plata

There are two Government floating docks at the Navy Yard one of 300 tons, and the other of 1500 tons. The dimensions of the latter are:

Length: 91.20 meters
Beam 18.20 "
Draft
maximum 8.64 "
Draft
submerged 26 feet
Displacement, length 1,141 tons
" flooded: 2810 tons.

The Navy Yard can effect any hull and machinery repair. There are two ship repair plants in La Plata, one of which, Union Iron Works has done most of the repairs to our ships while in La Plata.

Minor repairs only can be effected at La Plata. The Argentine Government in conjunction with Vickers' Sons and Maxim, are building a plant to have large docks and complete shops. There is a floating dock 300 feet long, 60 feet wide which can take 1,500 ton vessels of 15 foot draft. Cranes of 1½ to 15 tons capacity.

Mar del Plata. There are no drydocks or marine railways. In special cases the shops of the company building the new port can make ship repairs.

Bahia Blanca. Any class of repairs to hulls and machinery are made at the naval station. Puerto Militar has two large drydocks and shop facilities for any ship repairs.

Port White. At the naval station there is a stone graving dock; length over all, 754½ feet; over the blocks, 713 feet; width at entrance, top, 85 1/4 feet; bottom, 77½ feet; depth on sill at high water, ordinary springs, 31 ft. 6 inches.

Puerto Militar: Drydocks and repair facilities.

There are two drydocks.

No.1: Total length, 215 meters; level of blocks below zero, 6 meters; beam at blocks 12 meters; beam 34' above blocks, 26.25 meters.

No.2: This dock is in two sections; approximately equal in size. Section 1 is: length between caissons, 236.20 meters; on blocks 183 meters; level of the blocks below zero, 9.60 meters; beam at the blocks, 35 meters; beam 34' above blocks, 39.50 meters. Total for dock No.2, both sections, length between caisson, 454.80 meters; length between river caisson, 417.60 meters, total length over blocks (1) meters below zero, 395.60 meters. These docks belong to the Government but may be used by merchant vessels.

Madryn (Chubut) There are no docks or marine railways. In special cases the railway shops effect repairs.

Comodoro Rivadavia. There is no drydock. In case of urgent necessity the shop of the Government Petroleum Operations can perform repairs.

Deseado, Santa Cruz. There are no drydocks nor repair facilities. No marine railways.

San Julian (Gulf of San Jorge) . There are no dry docks, marine

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4720: Shipyards and drydocks.

San Julian (continued)

railways or repair shops.

Santa Fé There are no drydocks, marine railway or machine shops.

Rosario: There is a small railway at the Ministry of Public Works. There are five ship repairing plants in Rosario some of which have done work on American vessels. They have from small to medium shop tools. The cranes are from a small portable crane to a 5 ton one. Minor repairs can be made.

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4730: Ports and Harbors.

Principal ports in relation to natural geographic divisions of coast lines.

The Argentine coast line is about 2500 kilometers long bordering on the Atlantic Ocean and the River Plate. The most important seaports are Buenos Aires, La Plata (both on the River Plate which is about 40 kilometers wide at these points) and Bahia Blanca. Here are good docking facilities, basin, piers, marine railways, etc. and railways for freight and passengers to all parts of the Republic except the south. The channels of Buenos Aires and La Plata are about 27' deep, and that of Bahia Blanca about 30' are good, but are kept open by continuous dredging.

The less important ports are Rosario on the Paraná River, about 300 kilometers above Buenos Aires; and on the Atlantic coast, Quequen, Puerto Madryn, Mar del Plata, Comodoro Rivadavia and Gallegos. Harbors are poor and landing is difficult.

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4740: Individual Ports.

Anchorage, depth of water, landings.

Mar del Plata. There is no pilotage. There is a radio station at Punta Mogotes, radius 270 miles. Port authorities designate the anchorages. Landing is at Fisherman's Basin in the new port. There are shore boats. Fresh water can be had from various creeks, and at the new port. There are no coal or oil companies. All kinds of fresh provisions are available. Mar del Plata has two hospitals, the Municipal and Mar del Plata Hospitals.

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4740: Individual ports.

Bahia Blanca. Pilotage is compulsory. There is no signal station. It has two ports, Puerto Militar and Puerto Ingeniero White. There is a Government wireless station telefunken system, radius 1200 miles, wave length, 2,000 miles. While lying in port, wireless use on ships is prohibited.

If bound for Puerto Militar anchor is dropped in the outer harbor; if bound for Puerto Ingeniero White or Galvan, anchor is dropped in stream. There are boat landings at the quay, good at all times. There are shore boats. Water is to be had from hydrants at the quay and is good at all times. It is also to be had from water boats in the roads, supplied by the naval authorities. There is an abundance of provisions of all kinds. An average supply of 5,000 to 10,000 tons of good coal is available---two dealers. Fuel oil is not available at present, deposits are not complete. Gasoline is available. There are all kinds of ship supplies.

The tide rises 10'.

At the naval station there is a stone dock, length over all 754½ feet; over the blocks 713 ft, width at entrance top, 85 1/4 feet; bottom, 77½ feet; depth on sill at high water ordinary sprays 31' 6".

Sanitary conditions are good and there are both a naval and a municipal hospital.

At Puerto Ingeniero White, 70 kilometers south of Bahia Blanca and at Port Galvan, 8 kilometers from Bahia Blanca are pier accommodations for 22 ships drawing from 25' to 30'. Fuel oil can be obtained from Puerto Galvan. The channel to Puerto Ingeniero White and Galvan is dredged to 33'. There are good mail and steamship services. All cable communications pass through the National or Provincial Telegraph Co. via Buenos Aires.

Puerto White in Bahia Blanca is the only port in the south part of the Province of Buenos Aires. It is the terminal of the Great Southern Railway, and is one of the most important centers for the exportation of wheat. At the pier there is 30' of water on the eastern end and 26' elsewhere. There are electric cranes and all the latest facilities for berthing, and it is in direct connection with the railway. There are large sheds for storing grain and wool. Inside the wharf there is dock accommodation for loading and discharging lighters.

On the east side of the original steel wall, running nearly north and south, there are now electric elevators. Each elevator accommodates four steamers, two on each side which can be loaded at any stage of the tide. The depth alongside is 26'.

The Buenos Aires and Pacific Railway have constructed docks in concrete, and have two electric grain elevators and flour mills erected on the mole with accommodation for ocean going steamers.

Puerto Galvan is about one mile west of Puerto White. This port of the Buenos Aires Pacific Railway contains berths for ocean going steamers and for coasting craft. The large berths are dredged to a depth of from 26' to 30' at low water and the small berths to 18'.

Cranes and loading appliances are worked by electricity.

Puerto Militar.

Puerto Militar is situated 12 miles southeast of Bahia Blanca, and is the principal Argentine Naval Base with railway connections with Bahia Blanca and Buenos Aires and another with Rosario.

The tide is 33' at low water from sea to Puerto Militar.

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Puerto Militar

4740: Individual Ports

The yard has two powerful ocean-going tugs, a water boat and a freight lighter.

The sea fleet----composed of two battleships of the Rivadavia class, and the armored cruisers of the Belgrano class----- is based here.

Pilotage is required. There is a radio station, radius 270 miles. Anchorage by pilot is obligatory. The boat landings are designated by the commandant of the naval station. There are shore boats. Fresh water may be obtained from dock hydrants, or from a 400 ton water boat. Coal on hand is for the exclusive use of the Argentine Navy. There are no coal companies. Ships may coal from the coal dock or from 180-400 tons lighters, and there is always a good stock on hand. The oil also is for the exclusive use of the Argentine Navy. It is taken on board from pipe lines. The stock on hand varies. Fresh beef, vegetables, fish and all kinds of provisions may be obtained from Punta Alta and from Bahia Blanca. The naval hospital may be used by permission of the commandant.

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4740: Individual Ports.

Puerto Madryn has no pilotage or radio station. Anchorage is anywhere. Landing is made at the Central Chubut Railway pier. There are no shore boats. Fresh water can be obtained at the pier, the property of the railway company. The railway company keeps about 300 tons of coal in stock, but obtainable only in cases of extreme necessity. There is no oil. Meat bread and fish are available but no eggs or vegetables. There is good hunting and fishing.

Several lines of steamers visit this port. A railway runs from Port Madryn to Trelew a distance of 48 miles, and also to Gaiman and Rawson. Port Madryn has no quays but two piers. The new pier is 493 yards long and 45 feet wide. Vessels can lie alongside with a depth of 18' of water at low tide and from 30' to 34' at high tide. Railroad lines run the whole length of the pier, and wooden planking is laid down over all. There are three steam cranes on the pier. Both piers are connected with the railway station, and the new pier has a double track extending its whole length. Close to the new pier is a large warehouse for the storage of goods.

Comodoro Rivadavia (Territory of Chubut-Gulf of St. George) There is no pilotage. There is a telefunken system radius 270 miles. Anchorage is made at discretion. Boat landings are made at the pier of the Petroleum Operations or on the beach. Landing is difficult or impossible when the sea is rolling. A slight wind materially affects the sea. There are no shore boats, nor facilities for obtaining fresh water. It is scarce and not of good quality. There are no coaling facilities. The coal stock is very small, and not to be relied upon. Oil may be obtained from the Government Petroleum Workings or from the Astra Co., it may be taken when moored at the pier from pipe lines.

Mutton and fish may be obtained in quantities. Vegetables are scarce, and beef is practically unobtainable. There is no hospital, only a sickbay.

Comodoro Rivadavia is now a port of importance on account of the oil and wool shipments. It is a free port and is the port of the Colonies of Sarmiento and San Martin, about 180 miles to the west.

The railway line is brought down to a jetty about 2 3/4 miles northwest of the town. There are no warehouses. Loading is generally done by lighter.

Puerto Deseado. (Territory of Santa Cruz to the north of the Deseado River). There is no pilotage, signal or radio station. Anchorage may be made anywhere, and at any wharf. There are shore boats. Fresh water may be obtained at the railway wharf. This water is piped from 20 kilometers away. The quantity available is small. There are no coal companies. The railway has a small stock for its own use, but this cannot be depended upon. There are no oil companies. Mutton and fish can be obtained in large quantities. Vegetables are scarce. Beef is practically unobtainable. There is a dispensary. A State Railway runs from Deseado to Las Heras Colony, about 250 kilometers to the Northwest.

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4740: Individual Ports.

San Julian (Gulf of St. George). There is no pilotage. There is a radio station, radius 270 miles. Anchorage can be made anywhere. There are no boat landings. There are shore boats. In special cases, fresh water may be obtained by boats from the water pipes at the Punta Pena Frigorifico Wharf in small quantities and at high prices. There are no coaling companies. The Swift Frigorifico has a small quantity for its own use. There are no oil companies, meat and fish are abundant. Vegetables are scarce and dear. There is a dispensary.

Santa Cruz is of importance in being the only place on the eastern coast of Patagonia accessible to large vessels. Here is located an Armour Packing Plant for sheep. There is regular monthly communication with the surrounding places, and with Buenos Aires and Punta Arenas. It is also connected with Punta Arenas by road. A good berth can be found in 5 or 6 fathoms of water.

Puerto Gallegos, (Santa Cruz). Here there is a Swift Packing Plant for sheep. It is a free port. The exports consist of mutton, wool and sheep skins. There is a small pier.

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4750: Trade Routes.

Foreign and domestic registry tonnage employed on various ocean routes, including coastwise trade.

Travel and freight routes between Europe and the United States and Argentine ports are as follows:

Munson Line, sailing fortnightly. Stops at Rio Janeiro and Montevideo.

Lamport and Holt Line, sailing monthly approximately. Stops at Montevideo, Rio Janeiro and Barbadoes.

Osaka, Shosen Kaisha, sailing monthly. Stops at Havana, Rio and Santos.

Pacific, Argentine Brazil Line sailing approximately monthly. Stops at Montevideo.

Royal Mail Steam Packet Co. "A" boats sail from Southampton and "D" boats from Liverpool. Stops at Lisbon, Funchal, Dakar, Pernambuco, Rio, Bahia, Santos, Montevideo.

Donaldson Line Sailing weekly from Glasgow.

Nelson Line. Sailing weekly from London and Liverpool. Stops at Boulogne, Vigo, Lisbon, Rio, Montevideo and Buenos Aires.

Sud Atlantique Sailing weekly from Bordeaux. Stops at Lisbon, Dakar, Las Palmas, St. Vincent, Rio.

Soc. Generale Transports Maritimes.

Sails from Marseilles.

Royal Holland Lloyd. Sails from Amsterdam fortnightly. Stops at Rotterdam, Cherbourg, Southampton, Vigo, Lisbon, Rio Janeiro and Montevideo.

Hamburg South America Stops at Boulogne, Lisbon, Rio and Montevideo.

Transportes de Portugal

Sailing irregular. Stops at Hamburg, Lisbon, Pernambuco, Rio Janeiro and Montevideo.

Hamburg America North German Lloyd

Transatlantica Italiana.

Sailing every second month from Genoa.

Lloyd Italiano

Sailing fortnightly

La Italia

La Veloce

Navigazione General

Sailing fortnightly. Stops at Rio and Montevideo.

Lloyd Sabaudo

Sailing fortnightly

Societa Triestina Navigazione

Sails from Trieste approximately monthly

Compania Transatlantica

Sails from Barcelona approximately monthly. Stops at Almeria, Cadiz, Las Palmas, Rio Janeiro, Montevideo.

Pinillos, Izquierdo & Cia

Sails approximately monthly.

Maolver Line

Sails fortnightly, from Liverpool. No stops.

Houlder Line

Sails weekly from Liverpool and London. No stops.

British Royal Belgian Lloyd

Sailings from Antwerp irregular. Stops at Vigo, Lisbon, Rio Janeiro and Montevideo.

Steamship Lines connected with Chile.

Cia. Importadora & Exportadora de la Patagonia

Sailings intermittent.

Pacific Steam Navigation Co.

Sailings intermittent. Stops at Punta Arenas, Talcahuano and Valparaiso.

Local Steamship companies.

Compania de Navegacion Mihanovich

Sailing thrice a week to Asunción stopping at all river ports.

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4750: Trade Routes.

Foreign and domestic registry tonnage employed on various ocean routes, including coastwise trade.

Boats sail nightly to Montevideo, Uruguay.
Buenos Aires to Carmelo, Uruguay, 3 times a week -
Buenos Aires to Salto, 8 times a week
Buenos Aires calling at Rosario, Montevideo, Antonina
(Brazil) Paranaguá (Brazil) and San Francisco do Sul (Brazil)
sailing intermittent.
Buenos Aires calling at Rio Grande (Brazil) Pelotas
(Brazil) Porto Alegre (Brazil) and Montevideo. Sailings inter-
mittent.
Buenos Aires to Patagonian ports. Sailings intermittent.
Importadora y Exportadora de la Patagonia
Stops at Montevideo, San Antonio, Puerto Madryn,
Pirámides, Cabo Raso, Camarones, Bahía Bustamante, Comodoro
Rivadavia, Caleta Olivia, Mazaredo, Cabo Blanco, Deseado,
Bahía Laura, San Julian, Santa Cruz, Rio Gallegos, Punta
Arenas y Tierra del Fuego.

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4760: Inland Water Transportation.

Water communications via the Paraná, Uruguay and Rio de la Plata are very good. The rest on the whole are poor. The most important inland ports are:

Buenos Aires. Pilotage is compulsory navigating the buoyed channel. There is only one signal station at entrance to the North Basin which is also for the South Basin.

There is a wireless station at North Basin and South Basin. Both are controlled by the Navy Department. A new 20 kilowatt station is being built range to be 1,100 miles by day and to 1,500 miles by night. A radio compass is to be installed. All stations are Government owned. Wave length of station at Dársena Norte is 1000 meters, radius 432 miles. Wave length of South Basin 300-600 meters, radius 270 miles.

Vessels of very shallow draft should anchor outside the port in the inner and outer roads. There are no mooring buoys. The north channel is to be dredged to 30'. Boat landings are at the docks, especially Dársena Norte which is lighted and good at all tides. There are shore boats. Good water for all purposes can be obtained. All kinds of provisions and equipment are available. There is usually a sufficient supply of good coal to meet all demands; eight dealers. Ships are coaled from the docks or from lighters. Capacity for fuel oil 250,000 barrels. There is a large quantity of gasoline available. All kinds of ships' supplies are available. Sanitary conditions are good, and there are excellent hospitals, municipal and private. Tides rise from 2 to 5'.

The port proper affords wharfage to the extent of 9,700 lineal meters which is available for ships drawing up to 26'.

It consists of two basins, known as Dársena Norte and Dársena Sud (North and South Basins) and five docks (Diques Nos. 1, 2, 3 and 4 and Dique Sud (South Dock) enclosing a total area of about 660,200 sq. meters. The extra wharfage provided by the docks and basins is 10,602 lineal meters. The docks are approached by canals dredged to a depth sufficient to allow vessels drawing up to 26' to pass. The channel from the deep waters of the River Plate to the dock is 19 kilometers.

A new dock now being constructed and nearing completion will afford the following facilities: Depth of water 33'; four basins with 5 moles, three of the basins to be 115 meters wide and 500 meters long, and one basin of the same width and 300 meters long. All these to give a continuous wall front of 5,230 lineal meters. The total accommodation provided will be sufficient to allow 20 vessels 150 meters long to effect separate operations simultaneously, or permit an annual movement of 3,425,400 tons, at the rate of 1,141,600 tons per lineal meter of wharfage.

Buenos Aires also has a stream to the south of the city called the Riachuelo, and its dockage area is around the mouth which is on the River Plate and to the south entrance of the port proper. Along this river there is an extensive wharfage with warehouses, depots, coal yards, refrigerating plants, ship repair yards, etc. It is used principally by sailing vessels, which for one reason or another are unable to use the better equipped docks and basins. The water alongside the Riachuelo is 24'.

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Rosario (Province of Santa Fé, Paraná River).

Pilotage is required. There is no radio station. Pilotage to anchorage is obligatory. Landings are made at San Martin and Sargento Cabral. There are shore boats. Fresh water can be obtained from the wharf hydrants. The river water is available for boiler use. There are two good coal companies. Vessels drawing less than 21' may coal at the wharf, or from lighters at the rate of 500 tons a day or 800 tons day and night. Vessels intending to go up river should coal here on account of comparative cheapness and small stocks available at up-river ports. There is always a stock of 6000 tons on hand. There are no oil companies. Fresh provisions are available in large quantities. There are four good hospitals. There are no mooring buoys, and ships anchor in the stream. Boat landings are made at the Customs House lighted and good at all times. Water for steam or drinking may be obtained from the wharves or water boats. The river is fresh water.

There is an average supply of 10,000 tons of good coal. Two dealers. Ships are coaled from lighters or at docks. Fuel oil can be had in small quantities at very high prices. Vessels usually take oil at Campana near Buenos Aires. All kinds of ships' supplies are plentiful. Ships cannot enter after sunset. Sanitary conditions are very good. Six hospitals. Good mail, cable and steamship service. Railway to Buenos Aires. There are no docks. There are three miles of wharves, depots along-side.

Port of La Plata (Province of Buenos Aires)

Pilotage is compulsory from La Plata River to Ensenada. There is no signal station. Ships are moored along the quay wall in the basin. Outside anchorages are not sheltered. There are boat landings along the quay. There are shore boats. Water for steaming is furnished free on the quay. There is an abundance of provisions of all kinds. In normal times there are 20,000 tons of good coal. Ships are coaled at the quays. Fuel oil is usually on hand. If not available fuel oil and gasoline can be obtained from La Plata and Buenos Aires. All kinds of ships' supplies can be obtained. Sanitary conditions are very good. There is a good municipal hospital and two others. Cable communication is through Buenos Aires. There is a good mail service.

From the outer entrance of the channel to the head of the Dique de Maniobras (at the south end of the Grand Dock) depths vary according to height of river. The channel is dredged to give permanent entrance to vessels drawing 25' of water. In the Puerto del Rio Santiago there is a depth of 21'. The port at La Plata is under construction and will make an excellent harbor when completed. It is to be from 10.3 mm. to 11 mm. in depth; two piers: north 1,108 m. long, and south 2409 m. curving so as to approach the first and giving an entrance of 250 m. The construction is for 2334 lineal meters of mooring piers for ocean going steamers, and 700 for river steamers. Wood is shipped from this place.

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4760: Inland Water Transportation.

Santa Fé (Port Colastiné) which is connected with Santa Fé by a narrow gauge railway. Pilotage is required. There is no radio station. Pilotage to anchorage is obligatory. Boat landing is made at the docks. There are shore boats. There is an abundance of good fresh water, and good facilities for obtaining it. Coaling is made from the railway station. There is a wooden coal dock, and coal can be obtained in lighters. The quantity on hand is small and advance notice should be given. There are no oil companies. Fresh provisions are abundant. There are two hospitals.

Zárate. (Paraná River)

Pilotage is compulsory. There is no radio station. Pilotage to anchorage is obligatory. Boat landings are made anywhere. There are shore boats. Fresh water may be obtained from dock hydrants. There are no coal or oil companies. Fresh provisions are plentiful, and easy to obtain. There are two sick bays.

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4830: Exports and Imports.

Principal industries affected, important foreign markets in 1919.

The following are the principal articles imported: gasoline, coal, sackcloth, cotton cloth, yerba mate, wrought and galvanized iron, tobacco, woollen and silk cloth and in less proportion material for railways and street cars; accessories for carriages and automobiles, foodstuffs, cement, paper for dailies, cotton stockings, white pine and spruce, tinplate for packing, electric cables, unground coffee, rice medicines, kerosene, iron supplies, perfumeries, wines liquors, building material, agricultural implements, automobiles, furniture, preserved food, stock (fine), asphalt, laces.

England exports to Argentina: cottoncloth, sackcloth, Portland cement, woollen cloth, galvanized iron, steel rails, agricultural machinery, freight cars and material for railways, cotton print cloth, mangle specifics, electric wire and cables, accessories and supplies for carriages and automobiles, tinplate, machinery supplies, linen cloth, iron and steel manufactures, stearine candles, main sewer pipes, locomotive glass and glassware, wrappers and sacks for meat, tin lithographic articles, lead in ingots and sheets, prepared dyes, thread, codfish and laces, drilling, tiles, etc. In total about 23.6%. The percentage of coal imported from England is 100% in 1923.

Argentina exports to England: meat and cereals.

Germany exports to Argentina: dyed cloths, woollen cloths, galvanized iron, steel rails, machinery, automobiles, material for electrical appliances, wrought iron, steel beams and pillars, refined sugar, silk cloth, repairs for machinery, iron wire, prepared medicines, cotton stockings and jewelry, papers for dailies, watches, cotton laces, cooking and kitchen articles, cotton made goods, pianos, paper for publications, perfumes, malt, tartaric acid, dynamos and electric motors, copper and bronze articles, materials for street railways, glass articles.

Argentina exports to Germany: Wool, linseed, salted cow hides, wheat products.

The United States exports to Argentina mineral, vegetable and animal oils. Lumber and wooden articles, machinery, locomotives and material for railways, agricultural machinery and steel and articles manufactured from same, leather and leather articles, textile fibres and articles made from same, wagons, carriages, freight cars and various vehicles, aeroplanes, automobiles, bicycles and repair parts, chemical products, colorings, dyes, marine articles, paper. The United States has about 35.5% of the imports.

Argentina exports to the United States wool, linseed, salt ox-hides, quebracho extract, dry oxhides, sheep skins, frozen meats, quebracho logs, wheat products, goat skins, horse hair, horse hides, nutria skins, bones, caseine.

France exports to Argentina articles of luxury, fine wines, liquors, silk cloth, ladies' articles, chemical products, cheese, white clothing, stockings, perfumery and toilet articles, sardines and other canned goods, furniture and automobiles, books, laces, bazar articles, pottery, works of art. French exports to Argentina are about 3.9%.

Argentina exports to France wool, frozen meats, oats, wheat, tallow and grease, quebracho logs, horses, blankets, ponchos, military cloth, woollen mantas.

Italy exports to Argentina wines, woollen and silk cloth, spun cotton for weaving, vermouth, rice, medicines, cheese, wire, linen cloth, wax candles, tartaric acid, automobiles, laces. Italy imports about 3.3% to Argentina.

Argentina exports to Italy wheat, wool, maize, oats, hides, quebracho logs, horse hair, caseine.

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4830: Exports and Imports.

Brazil imports to Argentina tobacco, pines, fruits, sugar and above everything else "yerba mate" the national beverage. Brazilian imports are about 7.3%.

Argentina exports to Brazil animals on the hoof, flour, jerked beef, linseed, corn and wheat.

Spain imports preserved fish, fruits, wines, vegetables, spun cloth, lead, books, etc. Total about 7.1%.

Japan imports glassware, pottery, porcelain, ornaments, silk and cotton cloth, metals and their manufactured articles, paper, chemicals and pharmaceutical products, vegetable cereals, species and condiments. Japan sends about 3.9%.

Mexico imports gasoline and oil almost solely. About 2% of the total.

Chile imports to Argentina fruits, vegetables, flour, fecula, chemical products and substances.

Percentages of values imported:

1. Live animals	0.3
2. Food substances.....	12.9
3. Tobacco and into manufactur- ed products.....	1.5
4. Liquors, etc.....	1.5
5. Textiles and their manu- factured products.....	33.0
6. Oils, medicines and greases	5.5
7. Chemical and pharmaceutical substances and products.....	6.0
8. Colors and dyes.....	.8
9. Timber, other woody sub- stances, their manufactur- ed products.....	4.8
10. Paper and its manufactured products.....	4.8
11. Leather and leather manu- factured products.....	.5
12. Iron and iron manufactured products.....	10.3
13. Other metals and their products.....	3.7
14. Agriculture.....	2.5
15. Stone, earthen and crystal ware and pottery.....	8.3
16. Electrical.....	1.4
17. Articles and various manu- factured products.....	3.9

Percentages of values exported:

Agricultural products.....43.6% of which
about 50% is wheat and
25% linseed.
Forestral products: 2.4% of
which 80% is quebracho
extract.

The following countries received the principal exports:

United Kingdom.....	28.5%	Italy.....	4.0
United States.....	18.4%	Brazil.....	3.6
France.....	11.1%	Spain.....	1.9
Belgium.....	5.8%		

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4830: Exports and Imports.

Valuation and volume of foreign commerce, trade balances.

Although after the opening of the Panama Canal, Argentina is not on the regular trade route it has not been adversely affected materially as it still has its vegetable and animal products to offer, food and non-food which the world requires in exchange for manufactured articles which Argentina needs.

Its importation in 1921 was \$623,360,000 gold being \$337,080,000 less than in 1920.

The peak of foreign commerce was reached in 1919 when it was as follows:

Importation \$854,100,000 gold
Exportation \$1,006,800,000 "

Production is about at a standstill at the present time due to exchange and poverty stricken buying nations. There is not the demand for its exports as before and during the World War, except to the United States, Great Britain and other countries where its exchange is not too unfavorable.

At the present time England holds first place in importation.

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5000: Finance---General.

Government system and methods of control over national finance, including banking, coinage, currency and exchange, (General)

The Minister of Finance is the head of the financial system. Under the present administration it is being well administered, and the Customs' receipts have been increased enormously.

Under the Minister of Finance is the "Banco de la Nación" whose chief is appointed by the President. It is in good condition, but is carrying a number of loans on livestock which has decreased 70% in value since the war.

The banking system is excellent.

The Government grants charter prescribing functions of bank and required submission of two monthly statements of condition (one confidential with details of sundry assets and liabilities and one for publication with total figures only), and reserves right to inspect any bank. Each bank may decide upon its own reserve requirements. All coinage is done by Government---that is to say coins of 5, 10 and 20 cents (no gold has been coined since 1880) and paper money is also printed by the Casa de Moneda.

Banks of importance besides the Banco de la Nación are:

First National Bank of Boston	(branch)
National City Bank of New York	"
London & River Plate Bank	"
Anglo South American Bank Ltd.	"
London and Brazilian Bank	"
Royal Bank of Canada	"
Banco Español del Rio de la Plata	"
Banco Francés del Rio de la Plata	"
Nuevo Banco Italiano	"
Belgian Italian Bank	"
Banco Aleman Transatlántico	"
British Bank of South America	"
Banco de la Provincia de Bs.Aires	"
Banco Holandés de la América del Sud.	"

Tornquist & Cia. Ltda. (private)

There are a large number of other and less important banking institutions both provincial and private.

The state of the banks as of March 31, 1923 was given as follows:

Banco de la Nación:

	Gold pesos	Paper pesos
Total deposits	2,393,355	1,358,352,989
Discounts and advances	----	991,736,225
Cash reserves	22,985,582	352,148,970

Other Banks:

Total deposits	7,793,451	3,466,920,349
Discounts and advances	4,138,267	2,666,420,796
Cash reserves	34,246,425	999,638,750

Besides the banks above mentioned are the Mortgage Banks. The most important is the Banco Hipotecario Nacional which gives mortgages redeemable in 33 years. Cédulas which can be exchanged for currency on the exchange and pay dividends every six months 5 or 6%. There are also many private establishments of foreign capital which give mortgage loans.

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5000: Finance---General

Banking, coinage, currency and exchange (continued)

Warrant. This institution of credit has for its object mobilization of the industrial stock, forestal or mine products deposited in the Government or private warehouses. For this purpose the storehouse gives a certificate of deposit, and this duplicated is called a warrant and serves as a guarantee for loans so that without taking out the merchandise from the deposit, the owners can negotiate with them. Since the creation of this law very little business has been done under it, being limited to sugar and wheat.

Agrarian Pledge (Prenda Agraria) This means of credit created at the same time as the Warrant is more used, being more advantageous since while in the warrant the merchandise remains in deposit by the contract of the Agrarian Pledge, the property and products are in possession of the debtor.

This contract consists of loans in money guaranteed by:

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5000: Finance-General

- (a) Machinery in general, tools and farm implements,
- (b) Animals of all kinds and their associates as the movable things affected in rural exploitation.
- (c) The fruits of whatever kind corresponding to the agricultural years in which they contract is made, whether they be hanging, standing or after separation from the plant, as timber, rural products or of national industry.

Since the creation of this system and registers till the official services of Agrarian Pledge contracts have been made of more than 186 million pesos.

Besides the above there are the exchange companies and cereal exchange.

Recently there has been a gradual though small increase in the value of checks passing through the Clearing House in the Federal Capital and in the interior of the Republic which indicates an expansion in commercial movement. Dullness in banking business, and the increase in liabilities in business failures however are symptoms which contradict the apparent consolidation of the commercial situation.

Currency.

The paper money in circulation is \$1,362,563,073.50 m/n covered by a gold reserve of \$466,476,969.22 in the Caja de Conversion.

The gold deposited in the Argentine Legations is \$4,123,157.⁶² Argentine gold since the closing of the Caja de Conversion in 1914 at the beginning of the World War.

Gold deposited in Buenos Aires banks approximately is \$35,500,000 gold.

The monetary unit is the gold peso value at \$1.0364 to the American dollar. This is not in circulation, the circulating medium being the paper peso valued at 44% of the gold peso being worth .424512 U.S. Since July 1, 1920 it has depreciated being as low as 1.574 in 1921. At the present time it is about 1.25 probably due to heavy importation from the United States. The highest it reached since 1920 was 1.153 in 1922.

There are ~~no~~ mints in Argentina, and paper money is printed at the Caja de Conversion, also 5, 10 and 20 cent coins are struck

Exchange

The financial situation is good. Dollar exchange is at a premium of approximately 20%. Sterling is at a premium of about 15% and most other exchanges at a discount.

High foreign exchange rates make Argentine consumers pay more pesos for their imported goods.

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5010: National Income.

Chief sources of revenue, including income from foreign loans

About 80% of the national income is derived from the import and export duties of the Customs House. Income is also derived from stamp taxes, licenses and miscellaneous such as: sale and lease of lands of national property, income from the post office and other contributions that are equitably imposed by the Federal Congress, and the loans and credit operations which Congress thinks necessary.

The State possesses two kinds of domain: one called public, including the streets, bridges, ports, military reservations, roads, state telegraphic and telephone line, official railways, public movements, archives, etc. The other kind is the private domain such as office furniture, arms, and property possessed or acquired.

In the last census, 1915, the total was divided as follows: the unmovable property consisting of public land \$1,130,753,473 m/n; moveable \$65,817,813; arsenals, \$77,745,543; ships of the State, \$108,677,734; the wealth of the industrial domain (sanitary and irrigation works, hydraulics, ports, railways and telegraphs) \$1,130,000,000. The fiscal land which the State possesses amounts to 83,492,104 hectares, the value of which is calculated at \$820,000,000.

The expenses of the Government have increased enormously in the past few years due to increase in population, telegraphs, bridges, railways, police schools, etc. The public debt has also increased.

The following income was produced in 1920: Import duties 38%; export duties 26%; internal revenue, 19%; revenue stamps 7%, miscellaneous 10%.

Loans

There are no Argentine loans to foreign Governments except a balance of 16 million gold pesos owed by France since the War; the original amount being 200 million gold pesos covering food stuffs.

Taxation burdens.

It cannot be said that Argentine taxation laws are levied economically or intelligently. In proportion the poorer class is over taxed. There is practically no income from direct tax. There is no income tax. Real estate is taxed but not heavily.

A criticism often made is that in Latin American Budgets too much dependence is placed upon customs revenues.

Taxes are also levied on alcohol, matches, beer, cigars, the lottery and races.

The President recently proposed to Congress 50% increase in Customs' valuation.

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5020: Government Budget.

Compare receipts and expenditures.

The total receipts for 1922 were \$440,800,000 m/n
" " expenditures " " 831,470,000 "

The total Government Budget for 1922 was \$566,298,076.57 m/n

General purposes of appropriation

The Army appropriation was \$97,087,050.16 m/n
" Navy " 44,978,237.54 "

According to figures taken from a statement of the Minister of Finance before Congress on May 18, 1923 the net deficit on the budget for 1922 was \$147,000,000.

The net deficit in 1921 according to President's message of July 7th 1922 was \$63,100,000 m/n. Figures for 1919 and 1920 were not available. The total deficits for the years from 1910 to 1918 inclusive, according to the faculty of economic sciences of the University of Buenos Aires was \$1,102,847,164 m/n ranging from a low point of 54 million pesos in 1913 to 170 million pesos in 1915.

No funds are appropriated for military purposes by the provinces or communities or associations other than that appropriated by the Federal Government.

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5030: Public Debt.

General survey of all Government financial obligations, including claims, pending or proposed loans or conversions.

The funded external debt, approximately is 260 million dollars U.S. gold. Funded internal debt, approximately 270 million dollars U.S. gold; floating debt approximately 470 million dollars U.S. gold. All figures converted at par. Total one billion dollars U.S. gold. Estimated population 9,000,000; approximate Government debt per capita 111 dollars U.S. gold. National wealth of Argentina in 1916 was estimated at 32,656,000,000 paper pesos. Present national wealth allowing for increase in industries and depression in commodity values since 1916 is probably about 35 billion paper pesos or about 14,830,000,000 dollars U.S. currency at par or about 1,648 U.S. currency per capita.

Loans

Practically all loans in the consolidated debt are at favorable rates of interest. Some short term loans bear high interest rates. Most of the floating debt is covered by treasury bills bearing low rates of interest.

No foreign loans have been made since the World War except the 50 and 27 million dollar loans from the United States. The 50 million dollar loan from the United States, due October 1, 1923 was renewed about May 1, 1923 at 5 $\frac{1}{2}$ % which is considered favorable for Argentina. Both were to consolidate part of debt.

The Executive has recommended an internal loan of \$700,000,000 paper, part of which is to be taken by Argentine and foreign banks at 8%. Also the E.P. recommends a foreign loan of \$100,000,000 gold. Interest payments are met promptly.

In addition the Argentine State Railways will soon be in the market for \$300,000,000 pesos paper to complete lines in construction and projection.

Status of interest payments on external debt are due as follows and the amounts given are in paper pesos converted from foreign currencies at par. These amounts are approximate:

January	1st	m\$n	14,201,083
February	1st	m\$n	4,458,058
March	1st	m\$n	1,257,974
April	1st	m\$n	16,733,736
July	1st	m\$n	14,201,083
August	1st	m\$n	4,458,058
September	1st	m\$n	1,257,974
October	1st	m\$n	16,733,736

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5040: Influence of Foreign
Capital.

The attitude of the Government towards foreign capital
is favorable.

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WAR DEPARTMENT

SUBJECT-ESTIMATE-OF-THE-ECONOMIC-MILITARY-SITUATION--ARGENTINA

From ARGENTINA

No. 3320

Date May 15, 1924.

Replying to No. Date 15 0/2 V. D. JUN 13 1924

1. GENERAL ECONOMIC CHARACTERISTICS AND IMPORTANCE.

The Argentine Republic is situated in the southern part of South America, between 21° 30' and 54° 52' south latitude and between 53° and 73° west longitude. Total area: 2,797,113 sq. kms.

It is bounded on the north by Bolivia, Paraguay and Brazil; on the east by Brazil, Uruguay and the Atlantic Ocean, on the south by the Atlantic Ocean and Chile; on the west by Chile.

Its population is estimated at 9,500,000 having approximately 13th place in the world, but it has only 2.7 inhabitants per square kilometer.

Argentina has boundary questions pending and under discussion with Bolivia, Brazil, Paraguay and Uruguay, but none of them are acute.

The country is not well watered except along the valleys of the principal rivers: the Paraná; the Paraguay, which flows into the Paraná; the Uruguay; the Plate, formed by the Paraná and the Uruguay; the Negro, Colorado and Chubut. They all flow south or southeast and empty into the Atlantic Ocean.

With the exception of the Andean Cordillera between Argentina and Chile and Bolivia, Argentina has no highlands, but the three denominated Central, Southern and Misiones whose locations are as indicated, and of such a character that they form no obstacle to traffic and communications. The Andean range only is a formidable obstacle for traffic, but this is gradually being overcome by engineering science. There are numerous passes and when the new railway line through the Pino Hachado Pass to Chile is completed, communications will be greatly improved as this pass is open the entire year. The rest of the country is an immense low level plain denominated the Pampa.

Economically Argentina is divided into three zones:

1. Northern which includes all the northern provinces and territories. It contains about 1.8 inhabitants per sq. km. and about 17.5% of the total population. The climate is warm, soil sandy, water somewhat saline, and rains more in the east than in the west. The population is more marked here with the Indian blood than in the central region. The negro strain is very slight, but still more marked than in any other point of Argentina.

The principal products are sugar cane, peanuts, cotton, yerba mate, manioc, alfalfa, maize and wheat.

2. Central which occupies all the central part of the Republic from the Atlantic Ocean to the Andes. It contains about 5.2 inhabitants per sq. kilometer, or about 82.4 of

Binding Margin.

the total population. The climate is temperate, rains being more regularly distributed especially in the east, and the soil is fertile. The population is mostly pure white (Spanish and Italian) with the strain of the Indian.

The principal products are wheat, maize, flax, alfalfa and fruits, especially grapes in the west. This is the great cattle section, the principal industry of Argentina. Also as of extreme secondary importance, it is the industrial region.

3. Southern occupying the entire southern part of the Republic. It contains about .1% of the population and about .1 inhabitant to the square kilometer. Here the climate is cold, the winds persistent, and soil unproductive except along the river banks. The inhabitants are mostly Scotch, Welsh and English. The Indians are along the Andean foothills.

This section is devoted mainly to sheep raising. Forests of good timber are found in the mountains.

The Argentine climate on the whole is very healthy except in the north west where malaria prevails, but an attempt is now being made on scientific lines to stamp it out. In the south it is not unhealthy but severe and trying.

The intercourse between the northern and central zones is good by rail, and by water in the eastern part. There is no rail connection with the southern zone, and by water only via the Atlantic coast, and thence up the rivers.

The Argentine coastline is about 3500 kilometers long bordering on the Atlantic Ocean and the River Plate. The most important seaports are Buenos Aires, La Plata (both on the River Plate which is about 40 kilometers wide at these points), and Bahia Blanca. Here are good docking facilities, basin, piers, marine railways, etc., and railways for freight and passengers to all parts of the Republic except the south. The channels of Buenos Aires and La Plata are about 27' deep, and that of Bahia Blanca about 30', are good, but are kept open by continuous dredging.

The percentages of the export and import trade of Argentina by ports of arrival and discharge are given by the Bureau of Statistics of the Argentine Government. These percentages are based on values of the merchandise and not on tonnage.

	<u>Exports</u>		<u>Imports</u>	
	<u>1921</u>	<u>1922</u>	<u>1921</u>	<u>1922</u>
Buenos Aires	38.0%	41.7%	61.1%	76.3%
Rosario	21.0	23.0	5.2	5.6
Bahia Blanca	8.6	6.2	2.2	1.7
Santa Fe	2.3	3.5	1.1	4.1

3. PRODUCTION. RAW MATERIALS AND FOOD. OUTSTANDING SURPLUSES AND DEFICIENCIES. FOREIGN MARKETS FOR SURPLUSES. SOURCES FROM WHICH DEFICIENCIES ARE SUPPLIED. ESPECIAL ATTENTION TO BASIC WAR MATERIALS.

Argentina can and does easily feed herself. While fresh fruits are imported from the United States and Brasil, and canned goods from the United States and Europe, these are not at all necessary for the life of the nation.

The country's exports are large and are almost wholly confined to wheat, corn, linseed, frozen and chilled meats, hides, wool, butter and quebracho. The United States, the United Kingdom, Belgium, France and Italy are the heavy buyers.

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As will be seen by the following table the principal exports from Argentina since 1917 have been meats and agricultural products. These percentages are given as follows:

Exportations:

	<u>Exportation in Meats.</u>	<u>Exportation, Agri- cultural Products</u>	<u>Wood, Lumber, etc.</u>
1917	68.3	26.3	5.8
1919	53.2	43.6	2.4
1920	29.9	66.1	1.8
1921	38.6	57.3	1.9
1922	35.1	60.7	2.4

Argentina's imports are mostly wholly manufactured goods, principally machinery of all kinds, leather and leather articles, locomotives, rails, automobiles, agricultural implements, shoes, cotton and woolen goods, spinning and weaving machines, timber, electrical good, tin plate and galvanized iron. They come principally from the United States and England. Before the war, Germany held second place to England in importation, and although much reduced at present it is regaining its foothold rapidly, the psychological element being a strong factor.

The percentages of importations are given in the following table for four of the principal foreign countries, as follows:

Importations:

	<u>1919</u>	<u>1920</u>	<u>1921</u>	<u>1922</u>
United States	35.5	33.2	26.9	22.9
England	23.6	23.4	22.6	23.1
Brazil	7.3	5.4	5.9	6.3
Germany	0.5	4.8	9.8	13.7

Brazil holds fourth place, importing timber, fruit, sugar and above all---yerba mate. Fine fabrics, linen, perfumes, toilet articles, etc. come from France and Belgium.

Argentina has no minerals so to speak, and even the production of its petroleum fields is problematical.

5. INDUSTRIAL EQUIPMENT. MANUFACTURING CAPACITY. PARTICULARLY
IN RESPECT TO WAR MUNITIONS. SHIPBUILDING CAPACITY.

Argentina having developed no mineral fuel or water power or metals, and its vegetable and animal raw materials being limited in kind, it is everything but a manufacturing country. In Buenos Aires, however, and to a far less degree in Rosario and Cordoba, there are factories for shoes, hats, foodstuffs, drinks, furniture, flour, sugar mills, soap makers, brick and tile kilns. Cloth factories are also increasing.

The iron and glass works and metallurgical foundries are few and unimportant and far from sufficient for local needs. The automobile shops are merely repair places and where the finished parts are put together.

Cloth for uniforms is made principally in Argentina.

At the main war arsenal in Buenos Aires repairs are made in the limited foundry and for all their materials of war. Small arms, ammunition, cartridges, lances and bayonets are made, and the boring and finishing of rifles is accomplished.

All main war material had been purchased from Germany and France principally the former, the last investment in cannon having been made in 1911.

A Technical Armaments Board is now established to maintain up to date a general plan of armaments, which will study all the

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needs of the army. A Purchasing Commission is created abroad with the mission of executing the orders of the board.

There are no shipbuilding yards in Argentina, but repairs of major importance can be made in Buenos Aires, Rosario, La Plata and Puerto Militar.

4. TRANSPORTATION.

Highways. Argentina is devoid of any system of highways as is known in the United States. There is an excellent stone road from Buenos Aires to La Plata, 53 kilometers; from Buenos Aires to Tigre, 88 kilometers; and from Buenos Aires to Campo de Mayo, headquarters of the 2nd Army Division.

Although Buenos Aires with a population of about 1,800,000 inhabitants and about one fifth of the total population of Argentina it has no highway connection, except the three roads named above, that can be called such, with the rest of the Republic. In the summer when there has been no rain, it is possible to go from Buenos Aires to the interior over the dirt roads, but after a rain and in the winter time, the roads are impassable. This is true of almost the whole of the Province of Buenos Aires.

Around Cordoba where the soil is sandy, and in the southern territories where transportation is unimportant, travelling is not so difficult. All roads with a few exceptions are dirt, and most of them natural. The hauling of crops to the railway stations is tending to improve the roads, but slowly. The Automovil Club Argentine is attempting to awaken enthusiasm in road building. Wagon transportation is generally used, frequently oxen drawn. Pack transportation is rarely met with.

Railroads. In 1913 Argentina held ninth place in the world for railway extension, being exceeded by the United States, Germany, Russia, British India, France, Austria, Canada and the British Isles, and its railways represent 2.97% of the world's total. As much of Argentina---the southern and western portions is uninhabited, and probably will remain so---it will never achieve a place for railway density per square kilometer.

The railway center is Buenos Aires to which all railways converge with the exception of a very few in the far north and in the far south. To Buenos Aires are brought the cereals and meats from the agrarian and pasture lands of the interior. The cost of transportation is high. From the railway map it is interesting to note the many lines that cross the Province of Buenos Aires to reach the Federal Capital where 80% of the exports are made---the great economic center. The railway system is inadequate for commercial purposes.

Of the 19 Argentine railways, 10 are British owned, 5 State, 3 French and 1 Argentine capital. Total length 35,300 kilometers.

The private lines are well maintained, the State ones---fair.

Fuel is oil, mostly imported from Mexico; coal from the United States and England and wood from the Chaco.

The strategic railways are: Buenos Aires Great Southern, and Buenos Aires and Pacific to Bahia Blanca on the Atlantic Ocean, where the military port of Puerto Militar is located. Distance from Buenos Aires, 640 kilometers.

Buenos Aires Great Southern to Mar del Plata on the Atlantic Ocean where the new commercial port is being built. Distance from Buenos Aires, 399 kilometers.

Buenos Aires and Pacific to the Chilean border via Mendoza. Distance from Buenos Aires, 1049 kilometers.

The Buenos Aires Great Southern, Buenos Aires Western, La Plata to Meridiano 5°, and the General Company of Railways in the Province of Buenos Aires to La Plata. Distance from

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Buenos Aires, 53 kilometers. These railways are probably the most strategic in the Republic, and it is estimated if an attack would be made by sea it would probably come via La Plata rather than by the Atlantic seaports.

There are also the North Eastern Argentine, and the Entre Rios to Concordia and Posadas. Distance from Buenos Aires 544 and 1143 kilometers respectively. These railways skirt along the Uruguayan River which is part of the boundary between Argentina, Uruguay and Brasil. The strategic importance of these lines is being increased.

Troops could easily be moved into Buenos Aires but it would be more difficult to despatch them to strategic points.

There is little development in branch and secondary lines, and overdevelopment in trunk lines. Thus in 1915, on a total of 33,710,380 kilometers of line, only 14,159,083 or 42% were branch lines.

The narrow gauge lines are 1000 mm. and rolling stock for them includes 1109 engines; 811 coaches; 772 baggage cars; 1943 cattle cars and 21,098 freight cars.

The medium gauge lines are 1435 mm. and rolling stock for them includes: 197 engines; 180 coaches; 121 baggage cars; 494 cattle cars and 3841 freight cars.

The broad gauge lines are 1678 mm. and rolling stock includes 2804 engines; 2131 coaches; 1893 baggage cars; 4695 cattle cars; 47951 freight cars.

In the year 1921 the private railways in Argentina moved a total of 32,054,009 tons of freight as against 39,608,000 tons of freight in 1920 the difference being mainly represented by cereals, cattle and pastoral products for the broad and medium gauge lines, and by fuel and forestal products on the narrow gauge systems.

On the other hand the number of passengers carried by the private lines showed an increase as compared with the previous year, the total of 85,434,838 passengers carried in 1921 being more than 3,000,000 in excess of the 82,286,000 carried in 1920.

There are two electrified lines in Argentina; the suburban line from Buenos Aires to Tigre of the Central Argentine Railroad Co., a distance of 28 kilometers, and the suburban line from Buenos Aires to Moreno a distance of 36 kilometers on the Western Railroad Line.

There is also an electrified cargo and passenger tunnel under the city of Buenos Aires, length 5 kilometers, belonging also to the Western Railroad.

For its electrified section the Buenos Aires Western Railway built a power station at the South Dock of the City of Buenos Aires on a strip of land between the dock and the River Plate enabling circulating water from the condensers to be drawn from the dock and sent into the river, so that an unlimited supply of cold water is always assured.

As yet no attempt has been made to harness the power of Iguazu Falls on the Brazilian border.

In September 1919 there were at least four railroad plans for concessions being actively exploited:

- one from Salta west across the Andes to Mejillones, Chile.
- One across the Andes at a lower part
- One into southern Bolivia from Embareación to Vacuiba
- One from the Chaco Territory and Formosa to the Pilcomayo River.

On October 7, 1920 the Pacific Railway began the construction of an extension of the line from Stroeder to Carmen de Patagones (to the south of the Province of Buenos Aires) a distance of about 40 miles. This was completed and opened to the public in 1921.

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According to Art.1 of the Project of Law, \$138,390,795.68 paper, is to be expended from January 1, 1924 in prosecuting the construction of the following lines:

1. Rosario de Lerma to Socompa (the Huitiquina line)
2. Embarcación to Yaguiba.
3. Antilla to Rosario de la Frontera
4. La Banda to Santiago del Estero.
5. Catamarca to San Pedro (Córdoba Central Railway)
6. San Juan to Jachal.
7. Milagro to Quines
8. San Nicolas to Arroyo Dulce
9. Federal to Curuzú Cuatiá
10. San Antonio to Carmen de Patagones
11. Kilometre 448 (from San Antonio Oeste) to Lake Nahuel Huapi.
12. Huanu Luan (Kil. 465 from San Antonio Oeste) to Fefocahuel and Arroyo Pescado.
13. Port Madryn to Colonia 18 de Octubre.
14. Metan eastwards.

Under Art.2, \$174,800,000 is the sum earmarked for the construction of new lines as per the following list:

15. Córdoba to La Puerta
16. Córdoba to Santiago del Estero
17. San Pedro-Guayasan--Rio Hondo--Leales---Santiago del Estero
18. Algarrobal to Mendoza
19. Casa Blanca---Rafaela---vicinity of Esperanza, to a junction with the line from Santa Fé---Laguna Paiva.
20. Soto towards Villa Dolores
21. Alemania to Cafayate
22. Maré to Helvecia.
23. Branch from Almagasta to Pinchas
24. Branch from Benjamin Paz to Colalao
25. Branch from Manantiales to La Cucha
26. Branch from the most convenient point of the line from San Juan to Jachal towards Calingasta.
27. Termination of the line from Formosa to Embarcación.
28. Requena-Sauce to junction with the line from Federal to Curuzú-Cuatiá.
29. Curuzú-Cuatiá to Paso de los Libres.
30. La Paz to Feliciano and San Jaime or vicinity.
31. Concordia to Federal.
32. Paraná to Tabossi (or the most convenient point of the section of line from Crespo to Hasekamp.)
33. Tabossi (or the most convenient point of the section of line from Crespo to Hasekamp) to Colón, via Villaguay.
34. Colonia Las Heras to the most convenient point of the line from Comodoro Rivadavia to Colonia Sarmiento, via Las Monas (Junction line between Comodoro Rivadavia and Puerto Desado).

Connections between the railroads are very bad, practically non-existent due to preponderance of trunk over branch lines. Generally speaking to go from one section of the country to the other the passenger must return to Buenos Aires and travel on an entirely different line.

There is a good railroad service between the centers of Industry such as Buenos Aires, Rosario and Tucuman, all of which are on trunk lines.

Cost of transportation is very high.

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Economic---Military

Rivers and canals. The eastern part of Argentina is well supplied with important rivers.

The Paraná rising in Brazil is 4500 kilometers long and at times 7000 meters wide. Its principal tributary is the Paraguay, 2000 kilometers in length. During highwater boats drawing 12 feet can reach Asunción (Paraguay) which is 1041 miles from Buenos Aires and in low water 8 feet without dredging.

Rosario is the second city of Argentina and is on the Paraná River, 262 miles from Buenos Aires.

Boats with a draft of 18 ft. at certain times can proceed up the Paraná as far as La Paz, Entre Rios, after this the depth of the river limits the draft to 12 or 13 feet at high water and 7 at low water.

The Paraguay river is navigable for boats of 12 feet during high water and 8 feet during low, and for 9 feet during the greater portion of the year as far as Asunción. From there during certain times of the year around high water 7 feet can be carried to the junction of the San Lorenzo and the Cuyaba rivers in Brazil a distance of about 1,600 miles from Buenos Aires.

The Uruguay River forms part of the boundary between Argentina and Brazil and Uruguay, and is of great importance economically. It carries a depth of 20 feet at high water and 15 feet at low water to Concepción del Uruguay at a distance of 176 miles from Buenos Aires. The town of Salto in that district, 257 miles from Buenos Aires, is considered the head of navigation.

The west central section of Argentina has a few rivers which either empty into the Paraguay and Paraná or into salt lakes. They are not important economically.

The Rio Negro is the most important river in the south. Its average width is 200 meters, depth 4 meters and length 840 kilometers, and it is navigable as far as Lake Nahuel Huapi in the Andes where it rises. It is destined to play an important part in the construction of the Vidal Basin where it is intended to irrigate 100,000 hectares of fruit and agricultural land.

The Colorado river's 550 kilometers are navigable for 65 kilometers for boats of ordinary draft.

Floods are very common during wet seasons in Cordoba, Entre Rios and Buenos Aires provinces. Drought is disastrous for the crops and animals.

Shipping Travel and freight routes between Europe and the United States and Argentine ports are as follows:

Flag & Company	Route	Steamers	Tonnage	Duration	Sailing
				of voy-	ing
				age, days	
(U.S.)	B.A. to New York	Western	21,000	18	fort-
	with stops at Monte-	World			night-
Munson	video, Rio Janeiro	Pan-Ameri-			ly
	and Santos.	ca	21,000		
		Southern			
		Cross	21,000		
		American			
		Region	21,000		
(British)	B.A. to New York &	Voltaire	21,000		
	Liverpool) with	Vauban	17,000	22-	Twice
	stops at Montevideo,	Vestris	17,000	25	a
	Rio, Santos and Bar-	Vandyck	21,000		month
	rados.				

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Flag & Company	Route	Steamers	Tonnage	Duration of Voyage	Sailing
(British) : Royal Mail Steam Pack- et Co.	B.A. to Southampton & Liverpool via Montevideo, Santos Bahia, Rio, Pernam- buro, Dakar, Funchal and Lisbon (A boats to South- ampton, B to Liver- pool	Almansera Avon Andes Arlanza Desna Darro Demerara Desado	:15,000 :18,024 :15,820 :15,044 :11,483 :11,484 :11,477 :11,477	: 22- : 25 : : : : : :	: Weekly : : : : : : :
(British) : :	B.A. to Liverpool & London, via Monte- video & Las Palmas; and from London to Boulogne, Vigo, Lis- bon, Rio Montevideo & B.A.	Highland Pride Laddie Loch Piper Glen Rover	: 7,469 : 7,381 : 7,493 : 7,490 : 7,598 : 7,490	: : : 26 : : :	: : : Weekly : : :
(British) Houlder Line	B.A. to Liverpool and London	Princessa El Uruguayo Duquesa Hardwich Grange La Rosarina Marquessa Baronesa El Paraguayo Canonesa	: 8,361 : 8,361 : 8,361 : 8,508 : 8,332 : 8,332 : 8,361 : 8,508 : 8,361	: : : : : 21- : 27 : : :	: : : : : Weekly : : :
(Italian) Compania Trans- atlantica Italiana	B.A. to Genoa via Montevideo, Santos Palermo, Naples	Cesare Battis- ti Giuseppe Verdi Garibaldi Amiraglio Be- ttolo Nasario Sauro	: :12,000 :16,000 :10,000 :12,000 :12,000	: : : : 22 : :	: : : : Fort- : nightly :
(Italian) Lloyd Latino	B.A. to Genoa via via Montevideo, Santos, Rio, South- ern Spain and Marseilles	Pancio	: : : : :	: : : : :	: Every : two : months : : :
(Italian) Lloyd Sabaudo	B.A. to Genoa via Santos and Dakar	Conte Rosso Verde Principe di Udine Tomaso di Savoya Re d'Italia Regina d'Italia Principessa Mafalda Gloranna	:18,000 :18,000 : 7,828 : 7,760 : : 6,236 : 6,236 : : 7,500 : 7,500	: : : : 14- : 24 : : : : :	: : : : Weekly : : : : :

ARGENTINA
Economic---Military

Flag & Company	Route	Steamers	Ten- nage	Duration of voyage days	Sail- ings
(Italian): Navigazione Generale Italiana (Lloyd)	B.A. to Trieste	Guilio Cesare	21,657		
	via Montevideo	Europa	7,870		
	and Rio.	Principessa Ma-		17-	
		falda	9,310	21	Week-
		Re Vittorio	7,977		ly
		Taormina	8,298		
		Duca degli Abruzzi	8,249		
		" d'Assisi	8,168		
(Italian): Sociedad Triestino di Navigazione	B.A. to Trieste	Francesca			
	via Montevideo	Sofia			
	and Rio.	Atlanta			
(German): Hamburg Sud-Amerika	B.A. to Hamburg	Antonio Delfino	20,000		
	via Montevideo	Cap Norte	20,000	26-	
	Santos, Rio, Per-	Cap Polonio	20,000	23	Fert-
	tugal, Spain and	España	14,000		night-
	Holland	La Cerusa	14,000		ly
		Vigo	14,000		
		Vilagarcia	14,000		
(German): Hamburg Amerika Line	B.A. to Hamburg	Baden	16,000		
	via Montevideo	Bayern	16,000		
	Rio and Vigo	Galicia	12,000	23	Fert-
		Rugia	6,700		night-
		Toutonia	12,000		ly
		Wartemburg	16,000		
(German): North German Lloyd	B.A. to Bremen	Grefeld	17,000		
	via Montevideo	Gotha	14,000		
	Santos, Rio,	Kelu	17,000		
	Spain and	Sierra Nevada	17,000		
	Portugal	Werra	12,000		
		Weeser	18,000		
		Sierra Cordoba	22,000		
		Morona	22,000		
		Ventana	22,000		
(German): Hugo Stinnes Line	B.A. to Bremen	General Bel-			
	via Monte-	grano	18,000	25	Month-
	vices, Santos,	General San	14,000	27	ly
	Rio, Spain and	Martin			
	Portugal	Helm	12,000	2	
		Sevillita	12,000		
(French): Société Générale de Transports Maritimes à Vapeur	B.A. to Genoa	Aleina	12,500		
	via Montevideo	Formosa	8,380		
	Santos, Rio	Flata	9,300	21-	Every
	Southern Spain	Nondesa	12,500	24	10
	and Marseilles	Valdivia	10,800		days
(French): La Sud-Atlantique	B.A. to Bordeaux	Lutetia	15,470		
	via Montevideo	Massilia	16,000		
	Santos, Rio,	Maduana	10,400		Fert-
	Lisben and Vigo	Mosella	10,400		night-
		Malte	8,222		ly
		Belle Isle	8,300		

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Flag & : Route	: Steamers	: Tonnage	: Duration	: Sailings
Company:	:	:	: of Voy- : : age :	:
(French): B.A. to Hamburg	: Aurigny	: 10,378:	:	:
La : via Montevideo,	: Ceylan	: 8,500:	:	: Fort-
Chargars Rio, Dakar,	: Desirade	: 10,400:	:	:
Reunis : Leizoes, Ceruña	: Kuhée	: 10,400:	20-	: nightly
: Le Havre	: Formose	: 10,400:	28	:
:	: Greix	: 10,400:	:	:
:	: Lipori	: 10,400:	:	:
:	: Guassant	: 9,342:	:	:
(Spanish) B.A. to Barcelona	Infanta Isabel			
Compañia via Montevideo,	: de Bourbon	: 16,500:	16-	: Approx-
Transatl: Rio, Las Palmas,	: Reina Victoria	:	:	:
lantica : Cadix & Almeria	: Eugenia	: 16,500:	18	: monthly
(Spanish): de	: Catalina	: 3,685:	27	: Approx.
Pinillos :	: Balmes	: 10,000:	:	: monthly
Isquierdo:	:	:	:	:
y Cia. :	:	:	:	:
(Dutch) : B.A. to Amster-	: Gelria	: 13,868:	:	: Every
Royal : dam via Monte-	: Orania	: 9,763:	23	: three
Holland : video, Rio, Lis-	: Flandria	: 10,171:	:	: weeks
Lloyd : ben, Vigo,	:	:	:	:
: Southampton,	:	:	:	:
: Charbourg,	:	:	:	:
: Rotterdam	:	:	:	:

In addition there are several other lines with a limited passenger service.

E. COMMUNICATIONS.

All America Cables Inc. has three (3) River cables, four(4) conductors (3 single cores, 1 bi-core) to Montevideo.

These cables connect with the Buenos Aires office by means of four (4) aerial wires. The three cables leave Argentine territory at Atalaya on the coast a little south of La Plata and cross the River Plate landing at the foot of El Cerró, just west of Montevideo harbor.

The Western Telegraph Co., Ltd. has an aerial line in Argentina to Punta Blanca, and from there a cable to Europe via Ascension Island.

The Western Telegraph Co., Ltd. uses the River Plate Telegraph Co's lines to Montevideo, and, in case of necessity, the Argentine Government line and that of the Compañia Telefonica-Telegráfrica del Plata. From Montevideo, the Western Telegraph has direct cables to Europe via Brazil.

River Plate telegraph Company's lines leave Punta Lara just west of La Plata; two (2) cables, one single and one tri-core (4 conductors). These land at Colonia, Uruguay. From Colonia they have two (2) single core cables laid along the Uruguayan coast and landing at Punta Vega a few miles west of the Port of Montevideo, from there to their town office by aerial lines. They have also two(2) aerial conductors from Colonia to Montevideo.

Compañia Telefonica-Telegráfrica has six (6) cables single cores. Four in very poor shape. These leave Argentine territory at Punta Lara and cross over the River to Colonia. Thence by aerial wires to Montevideo.

Both the River Plate Telegraph Company and the Compañia Tele-

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gráfica-Telefónica del Plata have aerial lines from La Boca in Buenos Aires, under the river, to Punta Lara.

Two government lines run sub-fluvially from Palermo and Belgrano in Buenos Aires, under the river to Martin García Island

The "All America Cables" is of American nationality and American owned, while the Western Telegraph Co. Ltd. and the River Plate Telegraph Co. are British both as to nationality and stock ownership. The Compañía Telegráfica Telefónica del Plata is an Argentine concern said to be partly British and partly German in stock ownership, German interests owning about 80% of the stock.

The following table gives the numbers, destinations and connecting points of the submarine cables leaving Argentina.

Port	No. of cables	Destination of cables	Name of Co. owning	Nation of com- pany	Alternate line of communica- tion in case of accident.
Punta Lara	2	Colonia Uruguay	River Plate Telegraph Co.	British	Cable to Montevideo then tele- graph.
Punta Lara	6	Colonia Uruguay	Compañía Tele-	Argen- tine	Cable to Montevideo then telegraph
Palermo	1	Martin García Argentine	Argentine Government	Argen- tine	" "
Belgrano	1	"	"	"	"
Punta Blanca	1	Ascension Inland	Western Telegraph Co.	British	Cable via Montevideo and Brazil
Atalaya	8	Montevideo Uruguay	All America Cables Inco.	American	Cable via Colonia or Martin García
Martin García	1	Palermo	Arg. Govt.	Argen- tine	Telegraph to Monte- video then cable

Wireless.

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Under existing laws in Argentina, privately owned radio stations are permitted only for intercontinental communications. All others are under the Ministry of War and of Marine. The Ministry of Marine controls all stations located within 100 miles of the sea on the River Plate and within 50 miles of either bank of navigable rivers.

For these reasons 22 of the existing stations of the Army and Navy are used for commercial traffic while 17 are for official use only (Total 39 viz: 35 Army and Navy, 4 Ministry of Public Works). Authorization for new stations are granted for commercial reasons as well as on military grounds.

There are also 84 ship stations divided as follows:

53 Navy
19 Merchant marine
7 Ministry of Public Works
5 Ministry of Agriculture

84

The Government has granted four concessions to different foreign companies to install and work within the maritime zone high powered radiotelegraph stations. At present all the concessions granted have been amalgamated into one working company under the name of Transradio Internacional. In this company the American, English, French and German companies have an equal interest, control of the company being by majority of votes.

The Monte Grande station will have sufficient power to maintain direct communications with corresponding stations in the United States (New York Central), England (Carnarvon), France (Sainte Assise) and German (Gauen).

Telegraphs.

In Argentina there are: the National Telegraph system (Government owned and controlled); and the State Railways telegraph lines, viz: Argentine, Central Northern Railway: Eastern Railway (From Diamante to Crespo); Railway from Formosa to Embarcación; Railway from Puerto Deseado to Colonia Las Heras; Railway from Comodoro Rivadavia to Colonia Sarmiento, Railway from San Antonio Oeste to Lake Nahuel Huapi.

There are also: the Telegraph of the Province of Buenos Aires; the National telegraph and Telephone Co; General Railway Co. of the Province of Buenos Aires; the Southern Railway; the Western Railway; the Pacific Railway; the Transandine Railway; Central Argentine Railway; Cordoba Railway; Central Buenos Aires Railway; Rosario to Puerto Belgrano Railway; Santa Fé Provincial Railway and North Eastern Argentine Railway. The provincial telegraph systems which do not go beyond the boundary of the respective provinces are:

Telegraph of the Province of Entre Rios
Entre Rios Railway
Buenos Aires Midland Railway
La Plata to Meridiano V° Railway

The following table shows extension and development:

	<u>Extension</u>	<u>Development.</u>
	Kms.	Km.s.
National.....	41,153	100,065
Railway.....	35,275	144,532
Provincial.....	7,884	13,589
Metropolitan Police..	127	14,700
Private Companies....	3,320	
	<u>87,769</u>	<u>272,886</u>

The service reaches practically every part of the country and is fairly efficient.

Telephone.

The Unión Telefónica (British) is the principal company operating in Buenos Aires. The second company, the Cooperativa, is unimportant.

Nearly all the municipalities of the Province of Buenos Aires are connected with the Capital by telephone lines.

The total number of companies established in the country amount to 97, giving service to 700 localities, scattered in various parts of the country, preferably in the Province of Buenos Aires, Santa Fé, Córdoba, Entre Rios, Corrientes, Tucuman and the Territory of the Pampa respectively with a total of 134,000 telephone apparatus attended by 6900 employees.

The installations which said enterprises of public service own amount to 30,250 kilometers of extension, with a development of 620,400 kilometers, which added to private and railway lines----which exceed 273----with a length of 21,000 and a development of 80,000 kilometers----makes a total of 51,250 kilometers extension and 670,400 kilometers of development. Argentina is ahead of all other countries of Central and South America in telephone service.

Postal Service.

Argentina has approximately 3,522 postal stations in 1919, and the service is tolerably good considering the difficulties of communication once away from the railroad lines.

CONFIDENTIAL

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Economic--Military

8. FINANCE

Income and Expenditure----National Indebtedness.

The total Government Budget for 1922 was \$588,298,076.57 m/n (approximately \$240,000,000 U.S.)

The total receipts for 1922 were \$440,800,000 m/n (approximately \$186,000,000 U.S.) and the total expenditures were \$631,470,000 m/n (approximately \$267,000,000 U.S.) giving a deficit of \$190,670,000 m/n (approximately \$80,000,000 U.S.).

The net deficit in 1921 was \$83,100,000 m/n (approximately \$28,000,000 U.S.). Figures for 1920 and 1919 are not available.

The total Government Budget for 1923 and 1924 are the same and are as follows:

	In cash \$ paper	In bonds \$ paper
Administration expenditure.....	\$442,882,567	\$14,188,349
Service of the Public Debt.....	125,146,821	
Public Works.....		84,962,556
	568,029,388	99,150,905

To be deducted:

The difference between the expenditure during the first 8 months of the year in the proportion authorized by this Law and the actual expenditure under the "duodecimal" Law

	22,294,385	
	545,735,003	
Subsidies and Bounties.....	20,080,210	
Total.....	565,815,213	99,150,905
	664,966,118	

Of the aforementioned expenditure \$565,815,213 paper is to be met out of the proceeds of ordinary revenue, in cash, whilst the \$99,150,905 m/n assigned for the carrying out of public works and payment of supplementary credits will be covered by the issue of \$15,000,000 gold in "Obligaciones del Puerto de Buenos Aires" 5% Law 5944, of October 1918 (Debentures of the Port of Buenos Aires) of which \$8,500,000 or say \$13,500,000 gold, have already been issued, (and \$100,000,000 paper in internal 6 per cent bonds, authorized by Article 19 of the Budget Law itself.

Revenue: The different sources of revenue of the National Government during 1923 compare very satisfactorily with the figures for 1922.

Collections at the Custom House of the Port of Buenos Aires showed the very appreciable increase of \$60,284,300 paper, the details being as follows:

	1922	1923	Increase(x) Decrease (-)
	\$ paper	\$ paper	\$ paper
Import duties	\$161,099,200	\$236,635,300	+75,536,100
Export duties	9,325,400	11,600,800	+ 2,275,400
Other taxes and export revenues	33,737,000	16,309,800	-17,427,200
	204,261,600	264,545,900	+60,284,300

ARGENTINA
Political-Military

A pronounced increase is also observable in the receipts in respect of inland revenue taxes. The amount collected in 1923 totalled \$107,341,000 paper as against \$91,784,200 paper in 1922, an increase of \$15,556,800 paper in favour of 1923, notwithstanding that the rates of taxation were not augmented.

The amount collected at the Custom House of the Capital during the first three months of 1924 (without taking the other ports of the Republic into account), totalled to \$70,254,900 paper as against \$68,538,400 paper in the same period of 1923, thus showing a surplus in favour of 1924 of \$3,716,500 paper. This favourable result in great part is due to the augmentation of the appraisements and better collection.

The receipts from the whole of the Custom Houses in the Republic show a surplus in favour of the current year of \$7,519,000 paper.

Funded external debt.....	Approximately US\$270,000,000
" internal " 	" 365,000,000
Floating debt.....	" 330,000,000
National wealth.....	Estimated \$18,000,000,000
How much per capita.....	About US \$1,580 (population estimated at 9,500,000)
Government debt per capita....	" US \$100.---
	(where U.S.equivalent is given it is figured at the par rate of exchange)

Floating Debt.

The Minister of Finance has issued to the Press the comparative figures of the floating debt which is reproduced below. The floating debt has diminished in the first two months of the current year to the extent of \$28,201,174 m/n of which \$13,760,264 m/n corresponds to the internal debt and \$14,440,910 m/n to the external debt. The decrease in the latter results from the consolidation of a part of the 55 million dollars in Treasury Bills already recorded.

Floating Debt.

	31st December 1923	29th February 1924
In the country:	\$ paper	\$ paper
Short term loans.....	\$429,699,000	\$423,538,747
Treasury Bills (Sanitary Works)	2,056,000	3,500,000
"Banco de la Nación" (Law No. 10,251)	71,999,863	71,999,863
State Railways (approximate)....	90,000,000	90,000,000
Difference on exchange.....	35,000,000	35,000,000
"Banco de la Nación".....		
Treasury Account.....	37,356,365	22,804,695
Conversion Fund.....	15,384,886	20,694,545
	681,497,914	667,737,650
In the United States.....		
Dollar loans.....	193,147,272	110,706,362
	874,645,186	778,444,012

ARGENTINA
Political-Military

The paper money in circulation is \$1,362,563,984.86 m/n (approximately \$578,000,000 U.S.) covered by a gold reserve of \$470,800,131.88 (approximately 450,000,000 U.S.) in the Caja de Conversion.

Taxation

It cannot be said that taxation is levied economically or intelligently. In proportion the poorer classes are overtaxed. Customs at present produce about 48% of the income.

Amongst the modifications made in the tax laws, the most important is that effected in the Customs Law, consisting in the increase of 60% (in place of the 20% hitherto ruling) of the appraisements of the Tariff of Values and its complementary laws, and by 25% of the appraisements of the merchandise subject to specific duties. A new tax of 10% on the 1st and 2nd class maritime passages to foreign countries has been created. The proposed tax on portable securities, such as bonds, shares, debentures etc., the project for raising the rate of the "contribucion territorial" (property tax) of properties pertaining to owners absent from the country, and the proposed tax on increments in land values were not sanctioned. On the other hand, the rates of the taxes on inheritances, as also those of the stamp taxes have been augmented considerably.

The Budget was voted with the proviso that it should remain in force till December 31, 1923 and, until such time as the 1924 Budget is sanctioned, always provided that its period of operation does not exceed twelve months from the date of its promulgation.

The Minister of Finance has stated recently that it is his intention to effect important economies in the expenditure of the different departments of the Administration. With respect to the current Budget of expenditure he considers it indispensable to reduce expenses considerably and to make an early study of the best means of doing so. The Minister has also announced his intention of effecting a revision of the whole system of taxation and of reorganizing it on the basis of a tax on incomes. There is no income tax.

Argentina's Income.

The table below gives the sources of Argentina's income for 1920 and 1921 as taken from the Treasury's report for those years and estimated percentages for 1922 and 1923 based on the calculated budget as given in the Boletin Oficial.

	<u>Percentage.</u>			
	<u>1920</u>	<u>1921</u>	<u>1922</u> (Estimated)	<u>1923</u>
Imports	38	32.8	31.5	43.7
Exports	26	23.6	21.3	5.5
Internal Revenue	19	21.4	14.6	18.7
Revenue Stamps	7	8.8	4.7	8.4
Miscellaneous	10	16.0	27.9	26.7
	100	100.	100	100

ARGENTINA
Economic-Military

Principal financial institutions, connections and control.

The Minister of Finance is at the head of the financial system. Under him is the Banco de la Nacion and the Caja de Conversion. He has charge of printing the paper money and the mint, but no gold has been coined since 1880, coinage being limited to 5, 10 and 20 cent pieces. Customs receipts have increased enormously under the present administration.

The Government grants charter prescribing functions of banks, and requires submission of two monthly statements and reserves right to inspect any bank. Each bank may decide on its own reserve requirements. The banking system is excellent.

The principal banks besides the Banco de la Nacion are:

First National Bank of Boston (branch)
National City Bank of New York
London and River Plate Bank
Anglo South American Bank Ltd.
London and Brazilian Bank
Royal Bank of Canada
Banco Español del Rio de la Plata
Banco Frances del Rio de la Plata
Nueve Banco Italiano
Belgian Italian Bank
Banco Aleman Transatlantico
British Bank of South America
Banco de la Provincia de Bs. Aires
Banco Holandes de la America del Sud
Tornquist & Cia. Ltda. (private)

There are a large number of other and less important banking institutions, provincial and private.

The state of the banks on March 31, 1934 was as follows:

	<u>Gold pesos</u>	<u>Approx. U. S.</u>
<u>Banco de la Nacion:</u> Total deposits	2,529,130	2,440,000
Cash reserves	8,473,804	8,180,000
<u>PAPER PESOS</u>		
Total deposits	1,497,339,618	636,750,000
Discounts and advances	1,180,308,557	500,910,000
Cash reserves	304,114,159	
<u>Other banks</u>		
Total deposits	2,331,234	2,250,000
Discounts and advances	5,523,293	5,320,000
Cash reserves	10,138,307	9,780,000
Total deposits	1,928,386,129	817,590,000
Discounts and advances	1,680,368,324	713,160,000
Cash reserves	514,989,378	218,600,000

Recently there has been a gradual increase in the value of the checks passing through the Clearing House in the Federal Capital, and in the interior of the Republic, which indicates an expansion in commercial movements

ARGENTINA
Economic-Military

During the first quarter of 1924 clearings in Buenos Aires totalled \$10,845,000,000 m/n (\$4,478,000,000 U.S.) against \$9,330,000,000 m/n (\$3,980,000,000 U.S.) paper pesos for same period of 1923. Clearings in the interior were respectively \$1,479,000,000 paper pesos and \$1,234,000,000 paper pesos, (\$527,835,000 U.S. and \$523,833,000 U.S. respectively.) These appreciably increased clearings indicate a greater volume of business, and in all probability are due chiefly to the large export movement that has taken place.

Financial Stability.

Argentina's financial system is very firm and logical backed by its huge gold reserve in the Caja de Conversion which has been closed since August 1914. With the exception probably of the United States and Great Britain it is more stable than any other country in the world.

The exchange rate is decidedly unfavorable at the present time, although it should be noted that the discount on the peso makes attractive the purchase of Argentine products with foreign currencies, particularly sterling and dollars, and thus assists exports. The chief reasons for this exchange situation are the unfavourable balance of trade and the prohibition against the export of gold.

Military Finance.

All money appropriated for military purposes is by the Federal Government---none by the provinces, communities or associations. In 1922, \$97,087,050.18 paper (approximately \$41,000,000 U.S.) was appropriated for the Army, and \$44,978,257.54 paper (approximately \$19,000,000 U.S.) for the Navy. In 1923 and 1924 each: Army: \$58,867,527.63 paper (\$24,905,000 U.S.) Navy: \$40,950,402.28 paper (\$17,380,000 U.S.)

7. MAN POWER

By the census of 1914 (latest official figures) Argentina showed a population of approximately 7,605,502. In 1921 the population was given as 8,832,483 for 1923 was estimated at 9,000,000 and on May 1, 1924 as 9,500,000.

The birthrate decreased from 1911 to 1920, and for that year was given as 31.0 per mil.

The percentage of urban and rural population as per National Census was:

	Urban	Rural
1905	45%	55%
1914	57%	43%

Emigration is confined to the "swallow" emigration of Italians and Spaniards who come for the harvest season.

Immigration is considerable giving an average of about 10,000 immigrants a month. The source by order of number being Italy, Spain, Germany, Poland, Syria, Yugoslavia, Portugal and Roumania.

The density of the population per square kilometer is 2.7. The census for 1914 shows the following percentages as

regards race:

Native.....	70%	Indian---less than 1/4
Foreign.....	30%	Negro---- " " 1/2

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ARGENTINA
Economic----Military

Death rate per mil is given as 30% above that of the United States.

Figures for 1918-1919 show annual increment as 9.85%.

Unemployment is practically non-existent except normally speaking.

Social reactions resulting from economic situation are very few strikes, and the almost uniform maintenance of the 8 hour day without there being any law imposing it.

A protest against the new National Pension Law was made on May 5-8, 1934. Then there was a general strike throughout the Republic both by employers and employees to show their dissatisfaction. The President gave out a statement outlining the points at issue, and this will be sent to Congress when it meets in May 1934 in order to clear the obnoxious clauses of the law.

There is more poverty and want than would appear to be to be justifiable in view of the large unpopulated territories and rich resources of the country.

According to the Census of 1914 the total number of illiterates in the Republic was 2,213,915 and the semi-illiterates 172,098 (over 7 years of age). This is on a total population of 7,905,508.

Prevalent diseases are tuberculosis, malaria, syphilis and leprosy. Cancer is also very common.

Sanitation and health are improving slowly, and dispensaries are being established through Buenos Aires and the provinces for tuberculosis and syphilis.

A large proportion of immigrants remain in the city of Buenos Aires.

8. ECONOMIC PENETRATION OF FOREIGN INTERESTS.

As in other South American countries the great mass of importation and exportation is carried on and controlled by foreign enterprises as well as the organization and direction of railroads, packing plants, public service enterprises such as railroads, telegraph, telephones, tram lines, etc.

The British own and control most of the railroads, American capital controls the packing plants, telegraph and radio lines, and the British also own the telephone service, tram service, etc. The electric light service is owned by an Italian company and another by a Spanish-German Co. The water works are British owned and operated.

France has considerable investments in railroads, and industrial concerns, and the Netherlands and Belgium both have banks.

9. ARGENTINE ECONOMIC INTERESTS IN FOREIGN COUNTRIES.

Negligible.

10. BEARING OF ECONOMIC SITUATION ON INTERNATIONAL POLITICAL SITUATION.

Argentina's general aims are preponderance in South American affairs, and important policies or doctrines are fashioned toward that end; however, there is no suspicion of a policy of aggression. Her most serious international problems are of an economic and financial nature, resulting from her loss of world markets, and from the generally disturbed economic and financial conditions left by the War.

International relations are good. There is only a slightly suspicious attitude towards Chile and Brasil, much more evident

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Political-Military

in the press ("La Prensa") in particular, than in the attitude of the man in the street.

Economic relations or competition with immediate neighbors can be summed up as follows:

Chile: Argentina and Chile were more or less associated in the past by a common antagonism to Brasil, and a policy of neutrality and pro-Germanism during the War. However, this Argentine-Chilian rapport no longer exists and Argentina's sympathy has gradually drifted away from Chile towards Peru and Bolivia. Argentina feels particularly antagonistic towards Chile at present for bringing up the question of limitation of armaments at Santiago.

Brasil: Argentina and Brasil are not in accord and regard each other with distrust and jealousy, as both aspire to be leader in South American affairs. Both countries desire to extend their influence in Paraguay and Uruguay although neither one seems inclined to press this matter to the point of a serious quarrel.

Peru and Bolivia: Argentina seems to favor Peru and Bolivia of late and to desire closer commercial relations with these countries, and is endeavoring to strengthen these relations by political friendship.

It cannot be said that there is any definite economic competition between Argentina and her neighbors.

Argentina has been particularly free from the heritage of Colonial boundary disputes which have predisposed the other South American states to dissention and war. However, she has become indirectly drawn into the political discussions resulting from the alignment and grouping of other nations and factors, precipitated and continued by the long-drawn out "Question of the Pacific" controversy involving Peru, Chile and Bolivia. However, Argentina has no serious political disputes to settle as she has been particularly careful to keep clear of entangling alliances. There are minor border questions under consideration with Bolivia, Brasil, Paraguay and Uruguay.

II. GENERAL CONCLUSIONS.

Until recently so great was the faith in the potential wealth of the country that were it not for foreign capital and endeavor, the Argentines would have made little or no effort to develop their country's resources. Cattle increased and multiplied, crops grew and were harvested without much work being necessary, and until after the war a ready market was always available and loans for Government expenditures and public works were procured without difficulty. The war's aftermath of saturated or closed markets, brought about the realization that to place the economics of the country on a sound basis much hard work would be needed.

Argentina is far from developed, and potential resources in oil, mines (if any exist) water power, etc. have barely been scratched.

The country is self-supporting as far as food and raw materials are concerned, but it is absolutely dependent on importation for machinery and manufactured goods. It has a great surplus of meats, cereals and vegetable and animal raw materials for export.

The livestock industry in the Republic is improving gradually owing to the heavy exportation to Europe of meat (principally chilled) by the packing plants.

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These exports marked a record in 1923, having been considerably higher than those effected in 1918, the previous record year.

The cereal crop of 1923-1924 is the greatest in history, and these cereals together with stock raising constitute the wealth of the country.

The basis of the Government system is excellent, but its machinery is clogged by politics. The present Government is making great efforts, but it is generally admitted that the hands of the President and his Cabinet are practically tied by the intrigues of the previous administration and the Radical Party under former President Hipolito Yrigoyen.

The Argentine people are progressive and are rapidly advancing their position in the society of nations.

Argentina has a heavy foreign debt. It also has an annual deficit, which affects economic situation adversely.

There is no real conception of what economy in expenditure means. Bureaucracy, favoritism, and political jobs are deeply rooted habits in the administration, and though occasional and half-hearted parings are indulged in, the growth flourishes.

Transportation facilities are good on the whole, but due to high tariffs, prices soar between producer and consumer. Many things imported from abroad are cheaper than produced in Argentina.

British, American, German, French and Italian capital controls the railways and public utilities.

Immigration is particularly needed by the country, but there is no fiscal land available, and other inducements are not highly attractive for immigrants.

12. CURRENT SITUATION.

Argentina like Brazil is a heavy exporter of food and raw materials and a heavy importer of manufactured articles.

Her manufactures are not increasing to a very marked degree as fuel, minerals and skilled labor are lacking, and it is cheaper to import manufactured goods. However, cloth, shoes, and hat factories are increasing rapidly and are producing as much as can be consumed.

At the present time Argentina's production of raw materials is increasing slowly, but she is having some difficulty in finding a market for her goods---cattle and cereals.

There have been only three foreign loans since the beginning of the World War, one from the United States. One was for 50 million dollars, one for 27 millions and the last for 60 millions. The terms were reasonably favorable.

The old and stubborn tendency to look to additional loans from abroad to remedy matters has not changed, which tendency has caused a failure during recent years of prosperity to consolidate the floating debts out of the savings of the people by means of domestic rather than foreign loans.

Short term loans are occasionally cancelled or renewed, and the Provincial Governments and the Municipality of Buenos Aires do not hesitate to negotiate loans with the object of using the proceeds for public works said to be reproductive, and even for works of an ornamental character with an entire lack of realization of the country's financial position.

There is a budget system but it does not prevent an annual deficit.

The financial situation is still complicated, national and provincial finances being in a somewhat critical situation.

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The country's debt is enormous in comparison with present ability to pay. Unfounded obligations of the Government including short term American loans aggregate \$778,444,012 m/n (\$330,500,000 U.S.)

Balance of trade.

The balance of trade in favor of Argentina from the year 1915 through 1920 is given, together with the unfavorable balance of 1921 and 1922.

Arg. gold.

1915	\$276,691,273
1916	206,868,951
1917	169,848,671
1918	300,863,736
1919	375,192,964
1920	109,117,671:1,438,583,466
1921	- 78,404,277)
1922	- 15,637,182) 92,041,459

1922 = (1,300,000,000 US) Arg. gold 1,346,542,007

It is seen from the table given above that in spite of the unfavorable returns of 1921 and 1922, the balance favoring this Republic at the close of 1922 amounted to 1,346,542,007 paper pesos as from the year 1915.

Foreign Commerce.

The tabulation below gives the imports and exports of Argentina for 1921 and 1922 as published by the Argentine Bureau of Statistics. The exports from the United States to Argentina and the imports from Argentina to the United States are given in American dollars. This data has been taken from the Statistical Abstract of the United States. Statistics are given in all instances for calendar years.

	<u>1921</u>	<u>1922</u>	<u>1923</u>
	c/s	c/s	
Imports	749,533,697	689,845,471	
Exports	671,129,420	676,008,289	
Exports U.S. to Argentina	110,836,000 US.	95,542,000 US.	112,781,000 U.S.
Imports from Arg. to U.S.	59,986,000 "	85,678,000 "	115,276,000 "

Failures

The still high volume of liabilities in failures---a volume even slightly above that recorded in the first three months of last year---shows that the commercial situation is still far from being altogether stable. This notwithstanding, it can be affirmed that the general economic situation of the country is satisfactory and that it continues constantly to improve, whilst business transactions are consistently augmented both in variety and in volume. Proof of this latter is likewise afforded by the increase in the totals of cheques passed through the Clearing House.

During 1923 the bankruptcies in Argentina were:

Assets 95,897,600 m/n \$40,620,000 U.S.

Liabilities:

100,088,200 " 42,490,000 "

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ARGENTINA
Economic-Military

Transportation facilities are adequate, and are being improved slowly especially towards the Andes.

Argentina offers a practically unlimited field for the profitable investment of foreign and particularly of American capital. Oil fields, mines, industrial and electrical plants, telephones, wireless, water power, railroads, etc. are only in an embryonic stage of development taking into consideration the potential wealth and size of the country. It is but a question of time, the breaking-up of large land holdings, increased population favored by better conditions for settlers, farmers, small capitalists, etc.

Argentina has no foreign problem or complication, having only a certain uneasiness towards Brasil and Chile as the result of the recent 5th Pan-American Conference on the disarmament question.

While the attitude of the Government towards the United States is friendly public opinion is very unfavorable, particularly since the sending of a Naval Mission by the United States to Brasil. The present serious exchange situation is blamed on American banking circles. Argentina's diplomatic representatives throughout Latin America as a rule are anti-American in sentiment. This was the case in Mexico and Central America in particular, and Argentina watches very closely all United States policies and relations with other Latin American countries. She is resentful of United States mediation in South American affairs, wishing to be leader herself.

President Alvear, the nominal but not the real head of the Radical Party (which is split) announced his intention to run the Government strictly according to the Constitution and his constitutional rights, and intimated as much to ex-President Irigoyen, the real head of the party and would-be power behind the throne. In political circles it is still a question whether President Alvear will have the strength of will and sufficient support to carry out his plans despite opposition.

The country's national spirit is pride in her rapid development and economic importance. She is therefore pro-Argentina and independent in attitude, and all achievements of a political, artistic or sporting nature contribute to feed the sentiment of nationalism.

Sanitation is improving slowly and quite some effort is being made by the Government in this direction.

In general the Roman Catholic Church has no influence at all. Religion in Argentina is more the acceptance of dogma than anything else.

NOTE: For additional detailed information on this subject see Information Digest in the Military Intelligence Division.

4-1 1927 2655-2-92 JUL 23
4
4000 DEPARTMENT

ARGENTINA (Economic)

Subject: The General Economic Situation-
Basic Elements:

(c) Dependence on, and Treatment accorded, Foreign Capital
and Business Enterprise.

1. Estimated total of Foreign investments: \$4,750,000,000
2. Percent of (1) to estimated total wealth
of country: 34%
(That this figure is not higher is due to
the predominance of agricultural wealth
which is largely native owned).
3. Comparison of investments by nationality and
by Industry and Finance:

Figures in the following table are in millions of dollars U.S.Cy.

Industry	Brit.	Fran.	Span.	Ital.	U.S.	Other (a) Countries	Total
Gov't & Prov. Loans	200	10			312	91	613
Rail- ways	1250	132					1382
Banking	19	16½	20	18	7½	14	85
Tramways	117					Belgian 33	150
Electric Light & Power	19		67	9		Belgian 4	99
Radio Cable Telephone Telegraph					5	10	35
Gas Cos.	30						30
Quebracho	28						28
Meat Packing	63				55		118
Totals in other Indus.	250	131½	10	4	41½	50	1250
Commerce	200		75	75	50	100	500
Ports & Docks	10	6				12	28
Mortgage	8	2	13		½	26½	50
Land Cos.	40					30	70

From M.A. Argentina.

Report No. 3767.2 March 22, 1927.

ARGENTINA (Economic)

Subject: The General Economic Situation-
Basic Elements:

(c) Dependence on, and Treatment accorded, Foreign Capital
and Business Enterprise. (Ctd.)

Figures in following table are in millions of dollars U.S.Cy.
(Contd.)

Industry	Brit.	Fran.	Span.	Ital.	U.S.	Other (a) Countries	Total
Cil	20				15	5	40
Insu- rance	9				3	3	15

(a) This column includes also countries listed in other columns in which no figure appears. Impossible to distribute amounts.

Historic attitude of Government toward encouraging Economic
development through aid of foreign capital and enterprise.

The Argentine Government has always maintained a favorable attitude toward foreign capital and investments in industries.

In former years it was customary to make large grants of land to development companies such as English Railroads, etc. This feature of encouraging investors will probably never be so extensive again.

Prospective investors have always been favorably treated by the Argentine Government.

Current attitude of Government, organized labor and other
classes toward the violation or security of property rights
and freedom of foreigners:

The attitude of the present administration is strictly in line with the historic policy of the Government. The President on March 16th. 1927 spoke at the opening of the new plant of the Frigorifico Anglo and stated among other things that he was pleased that foreigners showed such faith in the future of the country and that Argentine people should remember that foreign capital was here to cooperate with the country's natural sources and it would be absurd to think that the former was prejudicial to the latter.

Labor conditions are satisfactory and have been for several years. During (1916-1922) the time when Irigoyen was President there was some trouble. The result was the forma-

ARGENTINA (Economic)

Subject: The General Economic Situation -
Basic Elements:

(c) Dependence on, and Treatment accorded, Foreign Capital and
Business Enterprise: (Ctd.)

Current attitude of Government, organized labor and other clas-
ses toward the violation or security of property rights and
freedom of foreigners: (Ctd.)

tion of the "Liga Patriótica Argentina" which had considerable influence in reducing labor troubles and counteracting the pro labor attitude of the then administration.

It might be mentioned that Irigoyen will be a strong con- tender at next year's election for Presidency, and should he be elected it is hard to predict what will be the labor con- ditions.

In general foreign investments have prospered in Argen- tina and have been very largely responsible for the development of the high state of industrial, commercial and financial stab- ility which the country enjoys.

Sources of information:

Trade Bulletin No. 362 was taken as the basis; and together with the Argentine Finance Minister's report for the previous year, Report of the Government Committee study- ing Argentine Mortgage Credit, 1926 reports of investments by the largest Companies, enabled Mr. McKenzie, Ass't Commer- cial Attaché to arrive at the foregoing estimate.

NOTE: No accurate census of foreign investments have ever been made. The Argentine Government has no compilation on the subject.

C. D. [Signature]
From M.A. Argentina.

Report No. 3767. March 22, 1927.

G-2 Report

1928 2655-L-92 MAR 5
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ARGENTINA (Economic)

Subject: General Economic Situation - Basic Elements.

RECEIVED G/2 W. D. MAR 2- 1928

(a) Current Economic Situation - General.

Financial: The financial condition of the National Government according to reports just issued, is excellent.

The revenue collection for 1927 reported nearly twenty million paper pesos over 1926.

Argentine credit abroad was never better. Recent issue of 6% Argentine bonds were sold to the public in New York at a half a point under par, which is a record for recent years. Continual progress has been made in consolidating the floating debt. The latter has now been reduced below five hundred million. The total debt of the Nation however continues to increase due to loans for public works and the munition programs.

The Bankruptcy failures for the past year were almost equal to 1926. The totals were \$198,465,700 only 2 and one half million less than the preceding year. The optimistic experts explain these high figures as due to precarious situations of long standing and have little effect on current business. It is believed they are due to dishonest and unscrupulous commercial firms who take advantage of the antiquated bankruptcy law and also to the secretive methods of banking and other firms, in not freely furnishing information concerning credit standings. Failures for January 1928 showed a decided decline.

The exchange of the peso is above par.

Industrial: Shipments of cereals during the past year, records are in the history of the country, and the forecast for this year shows an increase of five hundred thousand tons for wheat, four hundred thousand tons for linseed and a proportional increase in rye and birdseed. A small decrease is shown in oats and barley. The corn crop will equal if not surpass the record crop of 1926-1927. Prices however on cereals have fallen slightly except for corn. The sugar crop gave a satisfactory yield and the cotton crop situation is excellent.

Mining. The output in the petroleum industry continues though conditions are disturbed over the possible legislation. No new concessions are being granted.

Packing Houses: The so called "Meat War" has ended. This industry is having however other troubles; with England on Aftosa, Germany has reduced the quota of meat that may enter at reduced tariff; France has placed tariff on imported meat and Australia has made its first shipment of chilled meat to England. The time for trip was 52 days and the meat sold for only a half penny a pound less than Argentina meat. Prices on all frozen and chilled meat continue low. Wool production is better and prices firm.

From: M.A. Argentina. Report No. 3864 February 7th, 1928

ARGENTINA (Economic)

Subject: General Economic Situation - Basic Elements.

(c) Current Economic Situation - General. (Con'td)


Trade and General Business: Argentina starts the year 1928 with a balance of trade in her favor of approximately one hundred and fifty one million gold pesos as against thirty million on the debit side for 1926. The principal increases were in wheat, linseed and corn. The total tonnage exported in 1927 of these three items was 14 million tons as against 8 million tons for 1926.

Exports for January compare most favorably with those of the same period of 1927.

In spite of all the bright prospects for an excellent economic year, business is nervous over the political unsettlement. Merchants are refusing to commit themselves to long term obligations and this restraint is felt in other lines. The sugar planters in the north greatly fear an Irigoyen regime. However regardless of the out-come the situation will be more satisfactory after the elections in April. Big businesses fear Irigoyen, others say: "Well, we can get what we want, but we will have to pay for it."

Sources:

Government Statistical Reports
Daily newspapers.


From: L.A. Argentina.

Report No. 3864.

February 7th, 1928